



Agenda
General Government Committee
Thursday, October 9, 2025 – 5:00 pm
Conference Call 1-312-626-6799
Zoom Meeting ID: 89996258699
Passcode: 163823
<https://us02web.zoom.us/j/89996258699>
Community Room
303 W. Chapel St
Dodgeville, Wisconsin 53533

**Iowa
County
Wisconsin**

For information regarding access for the disabled, please call 935-0399.

Any subject on this agenda may become an action item.

- | | |
|----|--|
| 1 | Call to order. |
| 2 | Roll Call. |
| 3 | Approve the agenda for this October 9, 2025 meeting. |
| 4 | Approve the minutes of the September 4, 2025 meeting. |
| 5 | Report from committee members and an opportunity for members of the audience to address the committee. No action will be taken. |
| 6 | Consider Policy 1107 – Inventory Control, Work Orders, and Purchase Orders. |
| 7 | Consider Policy 1108 – Physical Inventory Counting Procedures. |
| 8 | Establishing Per Diem Compensation and Mileage for the Iowa County Board of Supervisors and Per Diem for County Board Chair and Standing Committee Chairs. |
| 9 | Set date and time for next meeting, October 30, 2025 at 5:00 pm. |
| 10 | Adjournment. |

Posted by the County Clerk's Office on 10-01-2025, Barbara Weinbrenner – Deputy County Clerk



DRAFT Minutes
General Government Committee
Thursday, September 4, 2025 – 5:00 pm
Community Room
303 W. Chapel St
Dodgeville, Wisconsin 53533

**Iowa
County
Wisconsin**

1	Call to order by Chair Curt Peterson at 5:00pm.
2	Roll Call. <i>Members in Attendance:</i> Joan Davis, Don Gander, Tim Lease, Curt Peterson, Mike Peterson <i>Others in Attendance:</i> John Meyers, Mel Masters, Megan Currie, Jon Hochkammer, Allison Leitzinger, Katie Abbot, Debbie Siegenthaler, Jamie Gould, Sheriff Peterson, Austin Durst
3	Approve the agenda for this September 4, 2025 meeting. Sup. Lease motioned to approve the agenda. Sup. Gander seconded the motion. No discussion. Motion carried unanimously.
4	Approve the minutes of the August 7, 2025 meeting. Sup. M Peterson motioned to approve the minutes. Sup. Lease seconded the motion. No discussion. Motion carried unanimously.
5	Report from committee members and an opportunity for members of the audience to address the committee. No action will be taken. None.
6	Discuss and consider revisions to Policy 401 Section 5.4 Performance Evaluations. • Presentation given by Allison Leitzinger. Discussion followed. • Sup. Davis motioned to move revisions to full County Board for approval. • Sup. M Peterson seconded the motion. • No discussion. Motion carried. Lease - abstain
7	Consider and Discuss 2026 Health Insurance. • Presentation given by Allison Leitzinger with committee discussion. • Sup. M Peterson motioned to move 2026 Health Insurance to Executive Committee with a High Deductible with an HSA at 82% and 80% the option of a low deductible at 77% for discussion. General Government recommends the High Deductible at 82%. • Sup. Davis seconded the motion. • Discussion followed. Motion carried unanimously.

8	Consider and Discuss 2026 Wage Structure Adjustment. • Presentation given by Allison Leitzinger. Discussion followed. • Sup. Lease motioned to move 2026 Wage Structure Adjustment of 3% increase to Executive Committee for discussion. • Sup. Davis seconded the motion. • No Discussion. Motion carried unanimously.
9	Employment Activity Report. Given by Allison Leitzinger.
10	Discuss and Consider Dispatch Seniority and Shift Bidding Policy. • Presentation given by Sheriff Peterson and Allison Leitzinger. Discussion followed. • Sup. M Peterson motioned to send back to Public Safety Committee to create a statement for the Employee Handbook to use seniority when there is an open shift. • Sup. Lease seconded the motion. • No discussion. Motion carried unanimously.
11	Discuss and Consider Therapy Comfort Canine Policy. • Explanation given by Sheriff Peterson. Discussion followed. • Sup. Davis motioned to approve the Therapy Comfort Canine Policy to the full county board but before a Therapy Canine is in County possession there needs to be funding for the program to stay budget neutral. • Sup. M Peterson seconded the motion. • Discussion followed. Motion carried unanimously.
12	Set date and time for next meeting, October 9, 2025 at 5:00 pm.
13	Adjournment. Sup. M Peterson motioned to adjourn to next month. Sup. Lease seconded the motion. No discussion. Motion carried unanimously. Meeting adjourned at 7:24pm.
	Minutes taken by Megan Currie – County Clerk

AGENDA ITEM COVER SHEET

Title: Highway shop and partsroom operational Policies

☐ Original

☒ Update

TO BE COMPLETED BY COUNTY DEPARTMENT HEAD

DESCRIPTION OF AGENDA ITEM (Please provide detailed information, including deadline):

Policy 1107 Consumable Inventory Controls defines the operational procedures for purchases and work orders in the shop and department regrading acquisitions of materials and supplies. Policy 1108 Physical Inventory Counting procedures explains the department procedures for end of year inventory accounting and balancing.

RECOMMENDATIONS (IF ANY):

Policies were updated for revisions in staff workloads due to position job descriptions and restructuring of shop in 2024/25. Recommended for approval by Public Works at the September 8, 2025 meeting.

ANY ATTACHMENTS? (Only 1 copy is needed)

☒ Yes

☐ No

If yes, please list below:

Redline version of updates for each policy.

FISCAL IMPACT:

None- department operational checks and balances policy and procedures for meeting Governmental Accounting standards.

LEGAL REVIEW PERFORMED:

☐ Yes

☒ No

PUBLICATION REQUIRED:

☐ Yes

☒ No

PRESENTATION?:

☒ Yes

☐ No

How much time is needed? 5 Mins

COMPLETED BY: CRH

DEPT: HWY

2/3 VOTE REQUIRED:

☐ Yes

☒ No

TO BE COMPLETED BY COMMITTEE CHAIR

MEETING DATE: 09-08-2025

AGENDA ITEM #

COMMITTEE ACTION:

Public Works committee moved to General Government for approval.



CONSUMABLE INVENTORY CONTROL, Purchase Orders, Work Orders, and Flow of Payables and Receivables

Date Originated: 11/18/2016
Date of Modifications: 09/18/2018, 10/21/2025
Policy Number: 1107

1. PURPOSE:

The purpose is to set forth guidelines for the Iowa County Highway Department to have a standard manner for processing purchases, receipts, invoices, shipping orders, and other financial controls with regards to materials, supplies, parts, fuel, fluids, and other consumable inventory items.

The Highway Department operations purchase, utilize, maintain, and sell items of consumable inventory through the provision of service delivery, inter-governmental cooperation with other governmental entities within the county, and completion of maintenance and construction projects on the state, county, and local highway systems. This policy is created to codify the procedures and guidelines for implementation of inventory management controls with regards to purchasing, receiving, shipping, charging, and maintaining consumable items within the department. Consumable items shall include all goods, services, materials, and other items related to parts, personal protective safety equipment, construction supplies, construction materials, small field tools, iron, batteries, fluids, fuel, and other items utilized by the staff or fleet during the performance of the work. The Wisconsin Department of Transportation Highway Maintenance Manual provides guidelines for recording and record keeping requirements for certain consumable inventory items related to the maintenance of the machinery and equipment within fleet operations and recuperation of operating costs for the usage of the fleet. Those guidelines shall be incorporated into this inventory control policy by the accounting office to ensure compliance with financial records, reports, and requirements for reimbursement of costs through state maintenance and construction agreements.

2. ORGANIZATIONS AFFECTED: Iowa County Highway Department and its' employees.

3. POLICY:

The Iowa County Highway Department shall have a standard manner by which to process consumable inventory items, materials, and supplies, which includes checks and balances. No staff who order or pay for consumable inventory shall be included in the annual inventory counting processes. All items in the accounting office's inventory record shall be verified, whether in stock or not. All inventory processing documents shall be cutoff, closed, and dated with the finance year end date of 12/31/XX. All year-end counting shall be started and completed between 12/31/XX of the finance year and the first full week of work in January of the next fiscal year. The department shall create procedures to follow for staff involved, which shall address proper control and cutoff of inventory during the counting process.

~~Without proper controls and cutoff, no consumable inventory items shall be removed from inventory until the year-end counting process is complete and verified.~~

4. REFERENCES:

Uniform Cost Accounting System for Wisconsin County Highway Departments
Wisconsin Department of Transportation Highway Maintenance Manual Chapter 2.0
Collective Fleet/Data System Software manuals.
ACS New Roads Cost Accounting System Software manuals.
~~Petrovend-GIR~~ Fuel System Software manuals.
AWS – Automated Weight Systems Software manuals.

5. PROCEDURES:

Definitions

- A. Capital Equipment – defined as equipment with an initial purchase price or value of \$5,000 or more; whether classified, unclassified, or not by the WCHA Machinery Management committee and WisDOT Highway Maintenance Manual procedures.
- B. Capital Machinery – defined as machinery with an initial purchase price or value of \$5,000 or more; which is not classified, unclassified, or recorded or recognized in any other format by the WCHA Machinery Management committee and WisDOT Highway Maintenance Manual procedures.
- C. Consumable Inventory items - defined as all automotive parts, truck parts, wrought iron, steel, construction materials, shop supplies, construction supplies, fuels, fluids, and other items purchased by the department, retained for use by the workforce to complete the work; but not utilized.
- D. Equipment – manufactured object which does not require the attention of an operator to perform a function or complete a task.
- E. Machinery – manufactured object which requires the attention of an operator to be utilized to perform a function or complete a task.
- F. Small Field Tools – defined as tools or equipment with an initial purchase price and value of less than \$5,000 and utilized by the staff to perform the work on a repetitive basis.
- G. Shop Tools – defined as tools or equipment utilized by the shop repair facilities with an initial price or value of less than \$5,000 utilized by the shop repair staff to perform repairs on the equipment and machinery.
- H. Vehicle – something utilized to transport goods and/or people.

RESPONSIBILITIES:

- 1. The Highway Commissioner shall be responsible for compliance to this policy by the department and its' staff. The Highway Commissioner shall also be responsible for the duties given within Wisconsin state statute with regards to the duties of a county highway commissioner.
- 2. The Operations Manager shall have authority to enter into contract agreements, services, and bid awards, as approved through the budget process; on behalf of the department. The Operations Manager shall act in the capacity of the Highway Commissioner in his/her absence.
- 3. The Highway Commissioner shall be responsible for proper control and financial management of the flow of consumable inventory throughout department operations with an inventory tracking system. The Highway ~~Business Manager Accounting Specialists~~ shall be

responsible for proper financial accounting, record keeping and reports, systems of checks and balances, and reconciliation functions to track consumable inventory items through the department and in compliance with local, state, and federal financial regulations and codes. The Highway Commissioner shall oversee the bidding processes for periodic unleaded fuel, diesel fuel, and off-road diesel fuel bids for the county owned and operated fuel tanks and dispensing system at the Dodgeville shop. The Operations Manager shall act in the capacity of the Highway Commissioner in his/her absence.

4. The Highway Accounting Specialist(s) shall be responsible for proper payment and charging of consumable inventory goods, materials, items, and services within the departmental accounting ledgers and financial functions.
5. The Shop Operations Lead shall be responsible for coding, delivery, order, receipt, sales, and tracking of all consumable inventory items through the creation and distribution of purchase orders, work orders, materials furnished forms, item sales, monthly charge out sheets, and other records of the inventory tracking system. Designated mechanical or ~~the Highway~~ Parts and Inventory Specialist staff shall perform these activities in absence of the Shop Operations Lead.
6. The Parts and Inventory Specialist shall be responsible to manage, track, order, and receipt in all shop supplies: small field tools; equipment parts, fuel, and lubricants; and construction materials, products, and supplies. The Specialist shall perform data entry bookkeeping, accounting, and financial record keeping in compliance with state and federal accounting procedures through use of a Purchase Order and Work Order process. The Parts and Inventory Specialist shall perform all Purchase Order processing including to create, assign, disseminate, prepare, reconcile deliveries of, manage, and track all purchase order interactions and transactions.
- ~~6.7.~~ The various Crew Leads shall have authority to make purchases for completion of the work performed on a daily basis in cooperation with and prior approval of the Highway Commissioner, Shop Operations Lead, and/or Operations Manager. The various Crew Leads shall request Purchase Orders from the Parts and Inventory Specialist prior to acquisition and be responsible to provide information to the Parts and Inventory Specialist for coding, delivery, order, receipt, sales, and tracking of all consumable inventory categorized as construction materials and supplies. The Crew Leads shall reconcile all orders monthly with the Shop Operations Lead and Highway Department Office. Purchases by Crew Leads shall be limited to the credit line on the distributed credit cards or as directed by the Operations Manager and Highway Commissioner through the various contract service awards utilizing purchase orders.
- ~~7.8.~~ All purchases made for the department shall occur with a purchase order and purchase order number assigned by the ~~Shop Operations Lead~~, Highway Parts and Inventory Accounting Specialist, Shop Operations Lead, Business Manager, or designated ~~mechanic~~ staff in his/her absence, with exception to some direct bill credit card charges, contract services, contract agreements, and contract bid awards; which will be tracked by the Financial Accounting CollectiveData software by the main office through other billing methods.

STORAGE and CONTROL:

1. Consumable Inventory of all items will be enclosed to restrict access within the parts room, sign shop, basement storage area, culvert yard, welding shop, quarry, or salt shed buildings. Some limited high usage inventory items will be stored in accessible locations in the main

Dodgeville shop, primarily related to bulk fluids and some hardware. No inventory which is in the inventory recording system shall be stored in unsecured areas or locations of buildings. Access to inventory items in the locations will be restricted to the personnel responsible for maintaining the inventory of these items. Access to any other parts inventory items will be restricted to only those personnel responsible for maintaining the inventory, those allowed to use the inventory and have been instructed of procedures for processing those withdrawals, or those counting the inventory at the time physical counts are being made. This will not only ensure the security of these items, but will require that the custodian of these items will be needed to permit access to them and will consequently properly record the transaction(s).

2. Purchase Orders versus Direct Bill Charges. All consumable inventory parts and supplies purchased for usage by the department will be processed through the department accounting inventory tracking system (CollectiveFleet or AFC-Petrovend GIR Fuel Management), receipted in, and charged out through purchase order and work order processes. Consumable inventory items which are provided by a third party contractor or vendor shall be direct billed to the proper job numbers at the time of receipt of services through the purchase order process, as they are not items touched by the department staff.
3. Dodgeville fuel farm purchases and sales. The Parts and Inventory Highway Accounting Specialists will be responsible for orders and bidding of fuel purchases for the fuel tanks through the departmental procedure created by the Highway Commissioner. The Highway Parts and Inventory Accounting Specialists will be responsible for tracking of inventory fuel purchases, sales, and other transactions including state and federal reconciliation and compliance. Fuel dispensed from the Dodgeville fuel farm will be recorded as transactions through the Petrovend-AFC GIR Fuel Management system. The Shop Operations Lead and a Mechanic will perform periodic, monthly, and annual fuel farm compliance inspection requirements.
4. Mobile Fuel tanks and the above ground off-road diesel tank at the Mifflin shop. Fuel dispensed from on-truck fueling tanks and the Mifflin Shop off-road tank shall be recorded as transactions on the monthly Fuel/Fluids sheet by the employees fueling such equipment. A fuel/fluids sheet shall be turned in on a monthly basis from the Mifflin shop and for each truck with an on-board fuel tank. The fuel/fluids sheet shall capture the following information:
 - A title indicating the month, year, and tank which the fuel sheet represents.
 - The date of the withdrawal or purchase.
 - The quantity of fuel dispensed or purchased.
 - The equipment or machinery number of the unit fueled.
 - The initials or radio identification number of the employee performing the transaction.

Each fuel tank shall be setup in the inventory tracking system software as a particular part number, which shall be utilized for monthly reconciliation of inputs and withdrawals from the tank. Reconciliation shall be performed on a monthly basis through comparison of the GIRAFE system sales, related CollectiveFleet part number transactions, and monthly fuel/fluids usage sheets by the Business Office.

5. Credit Cards. The Highway ~~Business Manager Accounting Specialists~~ will be responsible for reconciliation of credit card billings to receipts on a monthly basis. The respective staff shall be responsible for the credit cards issued to them and for the transactions made on those cards. The staff shall be responsible to record all credit card receipts with the Business Office on the day of the transactions, to the extent possible. Staff issued credit cards shall be responsible for submittal of proper receipts identifying transactions for their usage.

FORMS and RECORDS:

1. Management may purchase goods, services, equipment, or machinery through contract bids, awards, or agreements in conjunction with budgeted expenditures. In the event of a contract service, agreement, or bid; the purchase, payment, and charges will be referenced to the job or project number associated to the contract award.
2. All single purchases which exceed \$10,000 in value shall be let to a bidding process and procedure where competitive ~~sealed~~ bids are received, with exception to some specialized major repairs with the fleet of equipment, machinery, and vehicles. Purchases below \$10,000 in value shall follow this procedure.
3. All purchases and sales of consumable inventory items will be tracked through the department operations through various reports or records. Records for recording transactions will primarily begin with the Shop Operations Lead or designated mechanic staff in the Dodgeville shop parts room. The following records shall be utilized for tracking consumable inventory:
 - a. Purchases: Acquiring or purchasing of consumable items shall be done through the following means;
 - i. Purchase Order
 - a. Packing List or Shipping Label
 - b. Vendor Invoices and Vouchers
 - ii. Credit Card Receipts
 - iii. Direct Bill Charges

The following information shall be captured on the various purchase transaction forms:

- The inventory part number as it appears in the tracking system
 - The quantity of items received or ordered.
 - The date of the transaction.
 - The purchase order or work order to be charged against, if known or "Stock" for items charged to inventory, or "Direct Bill" for direct charges to the project, job, equipment, machinery, or vehicle number to be billed against.
 - The initials of the employee or employee radio identification number of the employee ordering the item or receipting the item in.
- b. Sales: Consumable inventory items, with exception to fuel; shall be withdrawn from the inventory tracking system through use of charge out sheets or orders listed as follows:
 - i. Work Order
 - ii. Counter Sales Form
 - iii. Monthly Fuel / Fluids sheet
 - iv. Bulk Fluids Shop transfer

- v. Materials Furnished (construction materials and supplies internal to department) Form
- vi. Outside Sales (external customers) Form

The following information shall be captured on the various charge-out sheets or forms:

- the inventory item part number as it appears in the inventory system,
- the quantity of inventory part(s) being issued,
- the equipment, machinery, or vehicle unit or job number to which the inventory part will be charged, if known
- the date of the transaction,
- initials or the radio identification number of the employee receiving the item.

Transactions detailed on the charge out forms will be entered into the inventory tracking system, reviewed for accuracy, and posted on a daily basis. On a minimum of a bi-monthly basis, the charge out forms from the parts room will be reconciled against the inventory system and work orders/materials furnished/items sold/parts requests/Fuel or fluids sheets for accuracy and processing of Accounts Payable. This reconciliation will be performed by the department accounting staff, as part of the month end process.

- c. Credit card purchases may occur with or without a purchase order number assigned at the time due to the nature of the work. However, credit card purchases made at the time without a purchase order number assigned shall have the receipts processed through the Highway ~~ABusiness Manager~~~~eeaccounting-Specialists~~. Department credit cards for purchases are available from the Front Office, Parts and Inventory Specialist, Shop Operations Lead, Operations Manager, or Highway Commissioner. The employee making a purchase shall acquire a card from the Shop Operations Lead, Operations Manager, or Front Office, and shall deliver the card and related receipts immediately to the Front Office upon their return from the purchase. Credit card receipts shall be labelled with the following information:
 - Initials or radio identification number of the employee making the purchase.
 - date of the transaction.
 - inventory part number for the inventory item(s) purchased if an inventory stocked item.
 - "Direct Bill" for items not being processed into consumable inventory.
 - The job or project number for the project the consumable inventory was incorporated into.
 - An account number for the inventory part number or the job number, if known.
 - any other pertinent information for complete detail for all items included in the purchase

The Department maintains the following credit card accounts:

- a) ~~PCards Farmer's Savings Bank – VISA Business~~ credit cards have been issued for general purchases to the following employees:
 - a. Highway Commissioner - \$5,000 limit.
 - b. Operations Manager - \$2,000 limit.
 - c. Shop Operations Lead - \$1,000 limit.

- d. All Outside Crew Leads - \$500 limit.
 - e. ~~HB~~Business Manager ~~highway Accounting Specialists~~ oversees remaining card with a limit of \$500.
- b) Fuel accounts for:
- a. Credit cards
 - 1) ~~BP Amoco~~ — Eagle Mart Stop-N-Go Kwik Trip in Barneveld limit of \$5,000.
 - 2) ~~BP Amoco~~ WEX — Arena Kwik Mart in Arena limit of \$3,500.
 - 3) ~~Exxon Mobil~~ — Friendly Place in Livingston limit of \$1,000.
 - 4) ~~3) WEX Conoco~~ — Corner Feed Store in Hollandale limit of \$5,000.
 - b. Accounts billed direct from
 - 1) ~~Miehek~~ Mulgrew Oil and Propoane in Highland, monthly billing.
 - 2) ~~Pit Stop in Mineral Point, winter season primarily~~
 - 2) Kwik Trip countywide — Barneveld, Dodgeville, Mineral Point.
 - 3) Mr. T's Cenex in Dodgeville, emergency only as backup to Dodgeville shop fuel farm.
- d. Direct billing on invoices will be allowed and shall be labelled as "DIRECT BILL". Direct Bill shall only be utilized for purchases of materials, supplies, or services which are performed by a third party vendor or is a large quantity and/or small valued inventory item for bulk distribution to the operations. For invoices direct billed to a job number or piece of equipment, machinery, or vehicle; the following information shall be recorded:
- date
 - job or equipment number to which the charge shall be billed
 - the account number to be billed
 - initials or radio call number for the employee authorizing the charges and services to be performed
- For all direct bill charges, a purchase order number shall be created at the time of the procurement or scheduling of the service, prior to the purchase or service acquisition.

4. Purchase order numbers shall be distributed by the Shop Operations Lead, ~~Parts and Inventory Specialist~~, Operations Manager, Highway Commissioner, or Mechanic in their absence. Purchase order numbers shall be a sequential system created by the ~~Shop Operations Lead and~~ CollectiveData software. The system shall be assigned such that the quantity of all purchase orders distributed can be reconciled on a monthly basis. Purchase orders shall be distributed for all consumable inventory item purchases and all Direct Bill Services not awarded by a contract agreement ~~or bidding process~~. Copies of the purchase order shall be provided to the department accounting office for processing and payment of invoices on a daily basis. Purchase orders shall be reconciled to a shipping receipt or packing list by the Shop to verify receipt of goods, prior to payments for goods by the Front Office. The purchase order shall include the following information:

- the date,

- the initials or radio call identification number of the employee making the purchase,
- a sequential purchase order number assigned by the Shop Operations Lead,
- a description of the item being purchased,
- the quantity of items purchased,
- a number or description of the job or piece of equipment, machinery, or vehicle being ordered for, if known at the time.
- inventory part number for the item purchased if known at the time, inventory part numbers are as assigned by the Shop Operations Lead, or "Stock".

Purchase orders shall not be utilized for office supplies purchased from county centralized purchasing. The Business Office will track these transactions to verify all are properly accounted for and reconciled on a monthly basis.

5. Packing Slips shall accompany all inventory deliveries receipted by the department. All packing slips shall be checked against the inventory delivered by the [Parts and Inventory Specialist](#), Shop Operations Lead, the assigned forklift operator, or other designated staff during his/her absence and delivered to the department accounting staff on a daily basis. If a packing/shipping list does not accompany a delivery; this information shall be recorded directly onto the purchase order, the invoice, or other documentation accompanying the delivery for the item(s). Packing slips shall include the following minimum information:
 - the date received,
 - initials or radio call identification number of the employee receiving the inventory items,
 - a description of the inventory part and departmental inventory part number associated to the item received,
 - the quantity of items received,
 - the vendor's part or material number,
 - the work order number for the machinery/equipment or job number the inventory items are utilized on, if known at the time.
 - if the items were delivered (freight to be charged) or picked up (no freight charges) by the employee receipting in the item(s).
 - a keyword denoting how the part is being catalogued into inventory.
6. The following keywords shall be listed on packing slips, invoices, purchase orders, parts requests, work orders, credit card receipts or other forms being processed:
 - a. "STOCK" to indicate a part is being receipted into the department tracking system as consumable inventory
 - b. "DIRECT BILL" to indicate a part or service being provided from outside of the shop is being direct charged against a work order or job number
 - c. "RETURN" to indicate if an inventory part will be returned for credit from the vendor
 - d. "OBSOLETE" to indicate a part is removed from inventory due to an inability to be utilized and to be written-off of the accounting books from the parts inventory tracking system
 - e. "CORE" for parts removed from a piece of equipment or machinery and being sent back to the vendor for a credit memo against the equipment removed from

- f. "KIT PARTS" along with the inventory kit part number being entered into the inventory tracking system for those inventory items which are to be combined into one piece of inventory as a single kit part. This shall be noted on the packing list with the respective inventory part number and the cumulative unit cost which to be entered at.
 - g. "MULTI-PART" and the inventory part numbers being entered into the inventory tracking system for when a single delivered part is to be divided and entered into the inventory system as multiple parts. This shall be noted on the packing list with all of the respective inventory parts numbers and a proportional unit cost for which they will be entered.
- 7. Core charges shall be charged against the original consumable inventory item associated with and likewise on to the equipment, machinery, or vehicle which they are utilized on through the purchase order and packing slip process.
 - 8. Core credits shall be credited to the piece of equipment, machinery, or the vehicle which they were taken off of at the time of removal through the work order process.
 - 9. Partial shipments or "Back Orders". Purchase orders, packing lists, and invoices shall be reconciled on a monthly basis between the Shop Parts room and the Business Office. Any partially filled purchase orders at month's end shall be split and closed. Those items receipted in on a partially complete purchase order shall be closed and paid. Those items remaining on a partially complete purchase order shall be closed, transferred, and a new purchase order assigned until they are received. The new purchase order assigned shall be coded with the original purchase order number for tracking purposes and retained as open until received or the end of the month.
 - 10. Freight or other miscellaneous charges which appear on invoices resulting from the purchase of repair parts should be proportionally distributed to the inventory price of each of the parts purchased and listed on the invoice for which the charges apply on a cost basis. The recalculated price of each part shall be noted on the invoice attached to the payment voucher so that it can be reconciled with the part's respective entry into the inventory system. In order to minimize the amount of intangible items (dollar values not directly attached to a physical part of inventory) flowing through the inventory system; freight charges resulting from returned parts, core deposits, and core returns should be charged against indirect shop operations.
 - 11. Construction materials and supplies may be receipted into consumable inventory or direct billed to a certain job or project number. Management staff and the Shop Operations Lead shall determine if a consumable inventory item number will be established and setup or direct billing at the time of purchase. The purchase order process listed earlier shall apply to both types of purchases.

PHYSICAL RECONCILIATION:

- 1. Invoices for repair parts will be reconciled to the inventory system on a monthly basis to ensure all parts have been properly receipted, accurately recorded, properly accounted for,

and promptly paid by the department accounting office and Shop operations Lead.

2. Balancing of inventories for fuel, fluids, salt, and sanding materials consumed and stored shall be performed on a monthly basis by the departmental accounting office and Operations Manager designated staff.
3. At the opening or closing of the county quarry and asphalt plant; and annually during the month of December, all material stockpiles will be measured and quantities determined by the Quarry/Asphalt Plant Lead. The Quarry/Asphalt Plant Lead will reconcile materials-on-hand quantities with the Highway Accounting Specialists on a monthly basis during the construction season. The Quarry/Asphalt Plant Lead will be responsible to supply daily materials used forms and oil bill of ladings for all shipments received at the end of each day of operations to the department accounting office.
4. All tickets for materials hauled to/from the quarry and asphalt plant shall be delivered daily to the Business Office.
5. Physical inventory of all items and materials maintained by the department's inventory software system (Collective Fleet) will be performed by non-shop personnel. Physical counts shall occur:
 - a. Annually, during the first full work week of January. The inventory tracking system will be frozen on December 31st of the preceding financial year while the actual physical count is being performed and entered into the system. During the time the system is frozen, manual records will be maintained by the Shop Operations Lead for all inventories received/issued to or from the inventory. No items shall be removed or taken from inventory until the year end count is made, tagged, calculated, recorded, and reconciled for the particular items being removed. Upon completion of entry and verification of actual count quantities, the inventory system will be unfrozen. At this time all transactions recorded during the system freeze will be entered into the inventory system, chronologically for the then current finance year. Once all transactions have been reviewed for accuracy and posted, the final year-end inventory report will be generated for a date of 12/31/XX; which shall list all parts, materials, and other inventory on hand and their respective quantities as of 12/31/XX. The Financial auditor shall be notified of year-end physical count occurrences for the purposes of reconciliation and audits.
 - b. Quarterly, or on an approximate three month basis. A physical count of randomly selected consumable inventory within quarry materials, asphalt plant products and/or construction materials or supplies will be performed by non-shop personnel. The quarterly physical counts will be a duplication of the year-end physical counting procedures; with respect to freezing the items selected for the count. The results for the random count will be reviewed by the Highway Commissioner and any noted discrepancies will be presented to the Shop Operations Lead for explanation and identification of corrective actions with regards to control of the inventory.

c. Month-end spot counts. A random physical spot count may be performed on a month's end basis by office staff to correlate with accounts payable. Month end spot counts shall be performed on high volume and/or high value inventory items. Spot counts may be performed on up to 5% of the total inventory items or approximately 225 of the 4500+ inventory items maintained in the system, as a maximum. The listing of inventory items to be counted shall be created by the Highway Accounting Specialists to correlate with Accounts Payable. Month-end spot counts may be performed by the department accounting office or shop personnel.

6. The Shop Operations Lead or their designee shall be responsible for providing an up-to-date listing of all small field tools and shop tools owned and maintained by the department on an annual basis. The listing shall include a description of the items, approximate value, quantity on-hand, and the storage locations for the item. The crew Leads shall be responsible to reconcile the small field tools on their respective equipment, machinery, and vehicles with the Shop Operations Lead.
7. The Shop Operations Lead and the Mechanics shall annually update their listing of tools provided by them and retained on county property for the performance of their duties in compliance with their job description requirements. Their tool lists shall be provided to the Highway Accounting Specialists and coded to the CollectiveData software for each mechanic as a record of the personnel belongings of theirs held on county owned property. The listing shall include an approximate value for each tool identified and a brief description thereof. The tool listings provided by the mechanics and shop lead shall be the sole record of notice for the county's insurance carrier with regards to property of others being held on county property.
8. The Highway Accounting SpecialistsBusiness Manager shall be responsible for providing an up-to-date listing of all capital equipment, machinery, and vehicles as a part of the departmental annual Financial Report.

PROCESSING TIMEFRAMES

1. Accounts payable shall be processed on a bi-monthly basis by the department accounting staff. The Highway Commissioner shall review and audit the accounts payable documents. The Highway Commissioner, or Operations Manager in his/her absence; may sign accounts payable for billings.
2. Accounts receivable shall be processed as soon as practical on a monthly basis by the department accounting staff. The period of time between monthly accounts receivable billings shall not exceed thirty-one days or as practical. The Highway Commissioner shall review and audit the accounts receivable documents, as well as pursue past due collections of the same. Highway Accounting SpecialistBusiness Manager staff shall maintain an aging report for monthly collections.
3. All invoices and credit memos received regarding consumable inventory items shall be reconciled with packing slips and detailed by the accounting staff to be processed with accounts payable at the minimum of a twice per month cycle.

4. Material usage shall be recorded on time sheets with load tickets attached on a daily basis from the employees utilizing the same for recording and charging by the department accounting staff.
5. Credit card receipts shall be turned in on a daily basis to the Business Office from all users. The Business Office shall reconcile and pay all credit card bills on a monthly basis in cooperation with the Business Manager, County Clerk, and Finance Director.
6. Purchase orders shall be distributed by the Shop Lead at time of intent to purchase. Purchase Orders shall be numbered consecutively for all purchases on a monthly basis. All outstanding invoices and purchase orders shall be reconciled on a monthly basis with the accounting office.
7. Shipping, packing slips shall be reconciled with deliveries at time of receipt of the items, and provided to the accounting office on a daily basis for reconciliation with purchase orders and invoices.
8. All parts or inventory being removed from inventory shall be charged to a work order or charged direct to a project by a foreman's report or a shop Work Order. The forms shall be reconciled to the inventory counts on a monthly basis by the Business Office. The Shop Operations Lead shall assign a number tracking system for all work orders for monthly reconciliation of outstanding paperwork.
9. Vehicle Inspection Forms shall be utilized by staff to notify the shop of repairs required for a particular piece of equipment, machinery, or vehicles. As a minimum a vehicle inspection report form shall be turned in for every piece of equipment, machinery, or vehicles on a weekly basis with the time sheets by the employees utilizing them. Daily vehicle inspection reports shall be provided for all regulatory and safety function activities – example CDL truck driving, in advance of winter storm response, or hauling operations.
10. Technician Work Forms shall be processed as work is completed by the employees in the shop accompanied by Work Orders. The technician work form shall record all work performed activities by the shop. The technician work form shall be filed in the equipment, machinery, or vehicle record and accompany the associated Work Orders.
11. Work Orders shall be assigned by the Shop Operations Lead for all activities performed by the shop and mechanics. Work Orders shall be numbered consecutively for all activities on a monthly basis. All outstanding work orders shall be reconciled on a monthly basis with the accounting office.
12. Invoices for parts which are to be returned to a vendor or existing salvaged parts returned for a core credit will be processed in the same manner as parts which would normally be stocked. When the part is received or removed and subsequently determined that it needs to be returned to a vendor, the part number, description, date, cost, and vendor shall be placed on a returned parts record. The part may or may not be entered into the inventory tracking

system depending on whether a return (may or may not be) or a core (included). However, in either case; the Shop Operations Lead will maintain the record so that it is current on a daily basis with the department accounting staff. Upon receipt of a credit memo for returned parts, the returned parts record will be updated to reflect the credit received and the credit memo will be processed through accounts payable. If the amount of credit received for a given repair part varies from the part's original invoice cost, the variance of such will be entered on the obsolete parts list as "RETURN VARIATION" to be written off the book inventory at year's end. The returned parts record would serve to explain why a given part cannot be physically located in the system when all records indicate that it should be there.

13. The Shop Operations Lead, annually on 12/31/XX or prior to the completion of the year-end physical consumable inventory count; shall provide the business office with a complete listing of all shop tools, small field tools, and other non-consumed – direct charge tools purchased by the department. The listing shall be a complete up-to-date inventory of all county owned repetitive use tools and shall provide the following information:
 - a. Date (year as a minimum) the tool was acquired by the department
 - b. Description of the tool including brand or manufacturer
 - c. Location where the tool is kept
 - d. Complete quantity of those tools on-hand in the department
 - e. Condition of the tool: new, good, or poor and requiring replacement
 - f. Approximate value of the tool or group of a particular type of tool

14. The listing of capital equipment, machinery, and vehicles shall be compiled as a component of the annual Financial Report by the Highway Accounting Specialists. The listings required there shall consist of repair and maintenance costs, depreciation, year of acquisition, model or brand, mileage of hour meter, department identification number, description, and other information.

PURCHASE AND WORK ORDER PROCEDURES and tracking thru CollectiveData software:

1. **Purchase Orders (PO's)** – Purchase orders are utilized to capture information related to purchases of goods or services by the Shop/Partsroom and for tracking purposes for proper and timely payments. No purchases for parts, materials, supplies, equipment, or other items will be generated without assigning a Purchase Order number to the purchase. PO's numbers are automatically assigned by the software, they are not to be overwritten or duplicated. PO's are utilized for tracking the item purchased, the purpose it is purchased for, the vendor whom the purchase was made from, the item being purchased, and a mechanism for proper payment for the item. All PO's shall indicate a status of processing and include the following information:
 - Authorizer or employee who created the PO.
 - Requester or employee who is requesting to purchase the item (may be the same as authorizer).
 - PO number which is auto-generated by CData for tracking purposes.
 - Date of which the purchase is ordered and delivered.
 - Vendor from who the item(s) is purchased.
 - Description or listing of items purchased or the reason for the purchase.

- Part or inventory number.
- Cost of the item(s).
- Quantity of each item ordered.
- Verification of receipt of all items ordered with the PO.

Purchase Orders are primarily created by the Partsroom Accountant Specialist, but can be created by the Highway Commissioner, Operations Manager, Shop Lead, or Mechanics in their absence. No equipment, inventory, parts, or machinery purchases shall be made without assigning a purchase order. Purchase orders are processed through the operations by tracking their “status”. Purchase orders shall be processed in a manner which coincides with timely billing of accounts payable and receivables for month end revenue and expenditure reporting.

Purchase Orders (PO) status:

In order for items to be charged to a WO from a PO, they must be accepted into inventory, which is performed by changing a PO’s status. The PO’s status must be changed to Fully Received or Closed to be accepted into inventory.

Receiving Goods - All deliveries to the partsroom and the shop yard shall be receipted in with a packing slip, invoice, or department created PO. The packing slip, invoice, or PO shall include the following information:

- Call number, initials, or signature of the individual receiving the items.
- The date and time of the delivery.
- A PO, invoice, or packing slip shall be verified to be with the shipment.
- The receiving individual shall verify the following by checkmark, initials, or other notation:
 - i. A mark by each item listed on the invoice/packing slip which was received.
 - ii. The delivered quantity of each item received.
 - iii. The condition of each item received.

If items for a PO are delivered in piecemeal fashion or backordered, while other items on the same PO are delivered and are needed to complete work in the absence of the Shop Lead; the PO shall receive special consideration and processing in order to be receipted into inventory and incorporated into the work as follows:

Partially Received Items - If the items on a PO are delivered in a piecemeal fashion or are back ordered at the time of delivery of other items, and not all items on a PO are received at one time; a new PO shall be created indicating the original PO number along with a description of the parts on backorder or not received, the vendor, the quantities, and all other information captured from the original PO to the newly OPENed PO. The original PO may be processed for the items which were received at the time by changing the status to “CLOSED” if balanced, verified, and reconciled based on the shipment received by the Shop Lead or “FULLY RECEIVED”, if balanced, received, and verified by the staff member receiving the items. A copy of the invoice and/or packing list shall accompany the PO and be provided to the Shop Lead. In addition, a new PO shall be created and labelled “OPEN”, which shall include the original PO information related to

vendor, requestor, approver, etc. and the listing and description of items on the PO not delivered or those which are still On Backorder.

The following is a description of the status for various PO's throughout the process in the department.

- **Open - Open** - Is a status descriptor which identifies a purchase has been made and an accompanying PO has been created. The creator receives an auto-generated PO number, provides a description of the purchase, the date created, the date issued, the estimated delivery date, selects a PO status (which shall be "OPEN"), assigns a vendor, lists the items ordered and quantity, checks the box to approve the PO, and whom approved the PO. On the description line of the PO, the requestor of the PO shall be listed by first name then a description of the item. The status indicator "Open" indicates parts are on order and have not been received by the Department. The receiver of "OPEN" goods deliveries shall change the PO status to "Fully Received", only when all items on a PO are received in full. If the Shop Lead is the receiver of items, he/she shall change the status to "CLOSED" if all items on a PO are received. If items on an "OPEN" PO are not received in full at the same time, see Partially Received Items for processing procedures.
 - **Fully Received - Fully Received** - Is a status descriptor which identifies that the purchases from an existing PO have been received in the partsroom and inventory by someone other than the Shop Lead. See the requirements for Receiving Goods above. The checked packing list and/or invoice shall accompany the PO, and be provided to the Shop Lead for verification. The receiver of the items delivered shall click on the tab "Receive all Parts" and change the status of "OPEN" to "FULLY RECEIVED" after properly processing the items to signify to the Shop Lead parts were delivered and receipted into inventory by someone other than them.
 - **Closed - Fully Received** - Is a status descriptor which identifies the Shop Lead has reviewed a "Fully Received" purchase order, or has receipted into inventory items or purchases from an "OPEN" PO. The packing list shall be reconciled to the purchase by the Shop Lead to verify the vendor, dates, items, purpose, quantity, size, style, and the individual checking the delivery. The Shop Lead shall change the status of "FULLY RECEIVED": or "OPEN" PO's to the "CLOSED" descriptor to signify he/she has completed the purchase, verified the goods were received, receipted the items into inventory, verified the packing slip and/or invoice; and accepted the PO for approval and payment. The Business Office may now proceed with processing the PO, invoice, and packing slip for payment.
 - **Paid - Fully Received** - Is a status descriptor which signifies purchases have been made, ordered, completed, verified, reconciled, billed to GL account, and payment has been completed by the Business Office.
2. **Work Orders (WO's)** - Work Orders are utilized to capture the amount of and identify the types of various equipment and machinery repairs and services performed by the shop. No work shall be performed or directed without the activity being assigned to a

WO by the Shop Operations Lead. WO numbers are automatically assigned by the software and no numbers shall be overwritten or duplicated. Work orders shall include the following information: equipment unit number, date, lead technician, approver, description of activity, summary of parts used and incorporated into the work, meter units when the WO occurred, WO statuses, and dates to accompany each status.

Work Orders (WO) status:

All Work Orders (WOs) shall be initiated by the Shop Operations Lead or designee within the CollectiveData software from the "To Do Listing". All initial WOs shall have the status of IN PROGRESS set by the Shop Operations Lead to indicate a repair has been identified to be performed as a result of either a Maintenance Request, a Preventative Maintenance Service or an Emergency Action Request, and is in progress with the Partsroom Specialist to pull from inventory, order, and organize the needed parts..

The following statuses are associated with WO's:

- a. **UNSCHEDULED – unexpected repair assessment** – The Shop Operations Lead will create a new Work Order (WO) and set it to this status indicator to signify a Work Order has been identified and has been created to initiate an equipment, machinery, or vehicle repair. An UNSCHEDULED indicator will be acted upon by the Partsroom Specialist, who will also then change the status for future processing.
- b. **IN PROGRESS** – Parts person will pull parts – the Partsroom Specialist will process an IN PROGRESS WO by pulling parts together for the WO to be SCHEDULED. The Partsroom Specialist will change the status to SCHEDULED when all parts are organized and ready for the mechanic; or to status WAITING ON PARTS if parts are on order or not available for the repair.
- c. **WAITING ON PARTS - waiting on parts** – an UNSCHEDULED and/or IN PROGRESS Work Order is changed to WAITING ON PARTS by the Partsroom Specialist when it has been identified parts are needed to complete the work that are not in inventory, or parts are on order from a vendor. Repairs have been identified but the work cannot start due to a lack of parts "WAITING ON PARTS". When the parts are fully received through the PO process; the status WAITING ON PARTS will be revised to "SCHEDULED" when the parts have been organized with the WO for completion of the repair by the Mechanic.
- a.d. ~~SCHEDULED~~**decheduled –ready for mechanicopen** – Is a status descriptor which signifies a Work Qorder has been created ~~by the Shop Lead~~, the WO the equipment is assigned to is available to be worked on, and all the parts for the work are anticipated to be on-hand and organized for installation with the WO and is now ready for a ; ~~but a lead technician has not been assigned to the to perform the repair.~~ Mechanics begin can perform the WO by assigning themselves as the lead technician for the WO, and changing the status to "WORK IN PROGRESSASSIGNED" and begin the repair. Changing the status to "ASSIGNED" indicates to the Shop Lead that a mechanic is performing this WO. No work shall be completed on a Scheduled WO until it is "ASSIGNED".

Formatted: Font: Bold

Formatted: Font: Bold

- b. **Assigned—open**—Is a status descriptor which signifies a WO has been created by the Shop Lead or Mechanics, the equipment the WO is assigned to is available for working on, all parts are anticipated to be on hand to complete the WO, and the Shop Lead has assigned the WO to a specific mechanic or staff member. The mechanic or staff member assigned can perform the activity related to the WO by verifying the parts listed are on hand, available, and include all parts as necessary for the activities completed. Upon completion of the repair, the mechanic shall verify all utilized parts are charged to the WO, summarize any additional work in the comments section, and change the status of the WO to "IN PROGRESS".
- e. **Waiting on Parts—waiting on parts**—Work Orders created by the Shop Lead, which have parts and issues identified but work cannot start due to a lack of parts, waiting on parts to be delivered, or the equipment is not available for the repair have their status as "WAITING ON PARTS". When the parts are fully received through the PO process, the status for waiting on parts PO's can be revised to "SCHEDULED (no lead technician assigned)" or "OPEN (lead technician assigned)". The Shop Lead or Mechanics in his/her absence can change the status from "WAITING ON PARTS" to "SCHEDULED" or "OPEN".
- e. **WORK IN PROGRESS**~~In Progress~~ — **WIP mechanic is performing the repair — completed**—Is a status descriptor which signifies a WO which ~~is~~has been issued and the work is being performed by an assigned technician / mechanic. ~~Completed by mechanics/lead technicians and pending review by the Shop Lead. A Mechanic receives an open or SCHEDULED~~scheduled work order ~~including the and adds~~parts necessary for the repair and performs the repair, and comments to the work order for activity performed; then changes the ~~Upon completion of the work, the mechanic will change the WO status to either "COMPLETED" which means the WO is complete and ready for review by the Shop Lead or to "UNSCHEDULED" status which means the WO was not able to be completed due to needing other parts or repair reviews. of "OPEN" or "SCHEDULED" to "IN PROGRESS" upon completion of their work and assignment of parts. The "IN PROGRESS" descriptor notifies the Shop Lead that WO's have been completed by mechanics and are ready for review.~~
- d.f. **COMPLETED** — mechanic has completed the WO repair — Is a status descriptor indicating all of the work for the repair WO has been completed by the mechanic, all of the inventory parts and materials associated with the repair have been included in the WO, and the WO is available for final review and acceptance by the Shop Operations Lead. After ~~completing~~the WO review to verify all parts have been charged and activity completed the Shop Lead changes the status to "INVOICE"; which notifies the business office the WO is completed and closed from all future activity by the Shop.
- e.g. **INVOICE**~~Invoice~~ — **Shop Lead approved the WO to the office — closed**— Is a status descriptor which signifies a Work Order which has been completed by mechanics; along with reviewed and approved by the Shop Lead. The WO status is changed by the Shop Lead to a status of "INVOICE". The WO status "INVOICE" signifies to the business office the WO is complete and can be charged out against equipment to the various GL accounts during the month-end

Formatted: Font: Not Bold

closing process. Office staff will review and process changing the status to PAID upon completion.

f.h. ~~PAID –office staff –closed~~— The “PAID” WO status signifies the work order has been completed by the mechanics, reviewed and approved by the Shop Lead, and billed / reconciled by the Business Office. The business office has completed reconciliation of WO’s to charge out the equipment repair costs to the appropriate ACS-New Roads GL accounts during the month end billing cycle. Upon completion of the month end processing of the WO to equipment expenses in the GL Accounts; the business office changes the WO status to “Paid”. No further charges, work, parts invoices, inventory purchases, or any other activity will be performed on any WOs with the status PAID. No WOs with a PAID status can be re-opened or have their status revised. All further or future work to the unit, whether similar to this repair WO or not, shall have a new UNSCHEDULED WO assigned by the Shop Operations Lead.

3. Vehicle Inspection Reports.

All staff shall daily perform a Vehicle Inspection and file a Vehicle Inspection Report with the main shop Operations Lead electronically through the CollectiveData software. Employees shall file a vehicle inspection form for every unit of equipment, vehicle, or machinery in the department fleet, which is being operated or utilized for the first time on any given day. If the employee is unsure a vehicle inspection has been performed on any given day, they are to perform an inspection on the Department’s standard format. It is the employee’s responsibility to file the report and notify the Shop Operations Lead of any conditions which are flagged in the report as a safety function failure (such as brakes or lighting) for determination by the Shop Operations Lead or Operations Manager if the given unit can be utilized on the day or not. If the unit has a non-safety issue or item needing repair (such as a broken window crank), it can be requested by identifying the issue in the comments portion of the vehicle inspection report.

4. Maintenance Request – Maintenance requests are utilized to process requests for service by employees. The department requires employees to fill out vehicle inspection report forms when utilizing vehicles, equipment, and machinery. In addition, shop technicians can place items of additional maintenance required for equipment in the comment section of the work orders they are processing as a note to the shop lead of additional work needed. The Shop Lead processes these vehicle inspection forms and approves completed work orders; which include a comment section for employees to make the shop aware of issues with equipment. The Shop Lead prioritizes the work undertaken by the shop through the CData “To Do List”, and in some cases determines some repairs to be not critical or immediate. The maintenance request form is utilized to capture outstanding work identified by employees and the shop but not yet scheduled for repair. Once initiated and completed by an employee, a Maintenance Request is placed into the To Do Listing for review and scheduling by the Shop Operations Lead. Employees shall submit items for maintenance request repairs when identified and until such time as the issue is repaired or is no longer identified as being an issue or broken.

2.

Maintenance Request status:

The following statuses are utilized for maintenance requests:

- a. **Requested—open**—Is a descriptor which signifies maintenance activity has been identified for a piece of equipment by employees. The Shop Lead will assign non-priority work to a maintenance request as a method of being able to track activity which needs to be completed but is not assigned to a work order or scheduled for repair.
- b. **In Progress—in progress**—Is a descriptor which signifies the repair items identified in the maintenance request have been scheduled to be repaired to an associated work order. This may be manually changed by the shop lead or technician assuming the work tasks; but is also auto-fill when a maintenance request is attached to a work order by either assigning when creating the maintenance request to create a work order or by assigning the MR activity to a WO when working with WO's.
- c. **Closed—closed**—Is a descriptor which signifies the maintenance activity requested on the maintenance request form has been transferred to a work order and completed by the shop. The accompanying work order related to the maintenance request will be auto-fill when the WO is closed for the maintenance request as a method of tracking repairs.

5. Preventative Maintenance Service (PMs) - PMs are created by the CData software and the GIR fueling system. PMs are preventative or repetitive maintenance requests such as air brakes annual inspections, oil changes, filter changes, fluid inspections, etc. The CData software system is setup with multiple routine normal vehicle maintenance practices for either serviceability, warranty, or regulatory reasons to maintain the fleet in optimal condition. The PMs are created based on a frequency of time constraint, mileage, hour meter, or other mechanism unique to each unit. When the unit of measure identified has expired, the system creates a routine PM Request in the To Do List for the Shop Operations Lead to review and manage by creating WOs to schedule the fleet for repairs or service.
6. Emergency Action Request – are created as a result of some unknown issue, an incident, a malfunction, or similar reason that a unit of equipment, vehicle, or machinery is not functioning properly, won't function, or is impaired in its' normal operation. Employees shall file an Emergency Action Request by contacting the Shop Dispatch, Shop Operations Lead, Operations Manager, or designee in their absence; at the time of occurrence. An employee may also be requested to file a Maintenance Request as a means to queue a request for repairs.

ATTACHMENTS: Examples of Departmental Forms

- Aggregate/Materials Weight Tickets – record sales/purchases of aggregate materials and products from various sources.
- Bulk Fluids Shop Transfer Form – transfers of bulk stored grease, lubes, oils, or similar fluids from the Dodgeville shop to outlying shop locations.
- Grease Room Monthly Fluid Withdrawal Sheet – for non-work order related withdrawals of fluids from inventory. Sheets for the following bulk stored fluids:
 1. AFT-SPDEX-16 Transmission Fluid

2. AW32 Hydraulic Oil
 3. DEF55 Diesel Fuel Exhaust
 4. Dexcool Antifreeze
 5. Donax TC Hydraulic Oil
 6. Donax TD Hydraulic Oil
 7. Donax SLTX55 HD Oil
 8. Engine Oil CJ4 15W40
 9. Engine Oil 5W20
 10. SLDTC T04 Hydraulic Oil
- Lead's Daily Report Form – withdrawals of construction materials and supplies inventory for projects.
 - Monthly Fuel/Fluids Sheet – transfers of fluids from outlying shop bulk storage and purchases of fuel from off-site tanks to machinery or equipment.
 1. Arena Super Stop - Arena
 2. Corner Feed & Supply – Hollandale
 3. Friendly Place – Livingston
 4. Michek Oil Company – Highland
 5. Stop-N-Go – Barneveld
 6. Emergency Fueling Locations (when approved by management).
 - a. Mr T's Cenex – Dodgeville
 - b. Pit Stop – Mineral Point
 - Monthly Off-road Fuel Sheet – to record purchases and sales of off road fuel from the truck mounted storage tanks (Trucks 113, 161, and 164).
 - Outlying Shop Location Fuel/Fluids Usage Log – to record purchases of fuel for equipment and machinery from none county-fuel farm filling locations. Also, employees record usage of fluids from outlying location bulk storage.
 - Outside Sales Form – withdrawals for outside sales of inventory.
 - Storm Pre-trip Equipment Inspection Form – vehicle inspection report required prior to a storm call-out response to verify equipment is in working order.
 - Purchase Order – purchases of consumable inventory.
 - Small Field Tools – listing of all field tools used on a repetitive basis by the workforce to complete the work and owned and operated by the department.
 - Shop Tools – listing of all county and staff owned tools utilized by the shop for making repairs on equipment and machinery.
 - Technician Work Form – record of repairs or service performed on equipment.
 - Vehicle Inspection Checklist – record of equipment walk-around inspections.
 - Work Order – equipment repair or service order.



CONSUMABLE INVENTORY PHYSICAL COUNTING PROCEDURES

Date Originated: 04/06/2015
Date of Modifications: 09/18/2018, 10/21/2025
Policy Number: 1108

1. PURPOSE:

The following procedure shall be followed by all Highway Department employees involved in year-end fiscal and quarterly physical inventory counting processes. Physical inventory item counts and verification of consumable inventory shall be performed by non-shop personnel, with oversight by the Highway Commissioner and Business Manager. Month-end physical consumable inventory spot counts shall be performed by department accounting ~~or shop mechanic~~ staff.

2. ORGANIZATIONS AFFECTED:

This policy applies to the Iowa County Highway Department and its' employees. The policy also impacts annual Financial Reporting and End-of-Year Audit requirements ~~recognized by~~ of the Iowa County Finance Department.

3. POLICY:

The Highway Department recognizes the need for efficient and viable controls over acquisition of purchases, processing of inventory and receivables; and data collection of inventory for asset management and fiscal control of the work performed by the County. It shall be the policy of the department to properly and thoroughly identify shortfalls and overages in inventory and to balance on an annual basis. It shall be the responsibility of the Department to convey the discrepancies, overages, or savings to the full county board as part of the annual Departmental Financial Report.

4. REFERENCES:

Wisconsin Department of Transportation Uniform Cost Accounting Manual, Policy 1107 Consumable Inventory Control

5. PROCEDURES:

DEFINITIONS

- a. Consumable inventory – defined as all automotive parts, truck parts, wrought iron, steel, construction materials, shop supplies, construction supplies, fuels, fluids, and other items purchased and paid for by the department, retained for use by the workforce to complete the work; but not immediately utilized at the time of acquisition.
- b. Finance Year – the preceding year or the budget year the closing of the inventory and books related to inventory are being performed for.
- c. Fiscal Year – the actual year the activity is occurring in or the budget year associated with the current calendar date.

- d. Quarterly physical inventory count – a physical inventory count of spot major purchase all inventory items within the parts room will be performed at the end of the 1st, 2nd, and 3rd quarters of the calendar year (April, July, and October).
- e. Year-end physical inventory count – a complete physical inventory count of all consumable inventory items recorded in the departmental inventory recording system will be performed whether in stock or not at end of fiscal year.

PLANNING FOR YEAR-END PHYSICAL INVENTORY

A. Timeline

- 1. Year-end Physical inventory shall be performed under the direction and oversight of the Business Manager~~Highway Commissioner~~.
- 2. The Counting Team(s), Highway Commissioner, and Shop Operations Lead shall determine the manner of conducting the physical count, team counting locations, recording information and documentation; which all parties shall abide to, prior to commencing the count.
- 3. The counting team(s) shall consist of 2 non-shop assigned employees each. 1 employee shall count items and 1 employee shall record the results for each team on the pre-printed lists. In an effort to complete the count as soon as possible, it is preferred to have four counting teams – one for the culvert yard and welding shop, one for the outlying location materials and plant/quarry materials, and two for the main parts room and other shop items. The team(s) shall utilize a method to illustrate which items at their stocking locations have been completed and counted as they proceed through the listing.
- 4. The year-end physical inventory count shall occur between December 31st of the finance year and the end of the first full week of January in the following calendar year.
- 5. Once the year-end physical inventory count has started, all inventory items and processes shall be locked with no inventory items receipted into or out of the inventory tracking system until completed. Year-end physical inventory shall be completed in its' entirety for all items listed on the inventory tracking system print out sheets provided by the department Business Manager. Upon completion of the count, verification of completion by the Business Manager, and reconciliation of all items; inventory can then be unfrozen for transactions.
- 6. Pre-printed lists of all inventory items shall be generated by the department accounting staff from CollectiveFleet Data software program under the direction of the Business Manager~~Highway Commissioner~~ and provided to the team(s). A maximum of one copy shall be provided for each of the team(s), one copy provided for the Highway Commissioner, and one copy provided for the financial auditors.

B. Organizing the Warehouse(s)

- 1. All shipping and receiving areas shall be cleared of all merchandise before physical counting begins. All inventory shall be in its' assigned locations and arranged in an orderly fashion.
- 2. All floor areas should be cleared of all parts and inventory. Any items on the

warehouse stocking floor or shop floor work areas should be put back into inventory and returned to their proper stocking locations by the end of the day on 12/31/XX. Any inventory items too large to be located in a secure warehouse location shall be labelled as "STOCK" inventory and included in the physical count, and the locations so noted on the physical inventory counting sheets.

3. All inventory items located at work areas should be either charged to a work order, installed on equipment, and closed out for the end of the finance counting year 12/31/XX; or returned to the inventory tracking system, proper warehouse stocking locations, and included in the physical count.
4. Inventory for partially pulled purchase orders not incorporated into the work on 12/31/XX shall be returned to the warehouse stocking locations, purchase orders closed out, and inventory included in the physical count.
5. All purchase order and work order documents in process at the start of the count should be labelled as such. All finance year Purchase and Work Orders shall be closed out by the end of day on 12/31/XX. New fiscal year Purchase and Work Order numbers shall be assigned and documents created for any closed but partially incomplete documents for the finance year.
6. Materials Furnished or Items Sold Orders in process for sales should be completed and closed on 12/31/XX. The inventory items shall be either delivered or stored in a defined area for shipping or pick up by the client. These orders and items shall be labelled as "Disbursed from Stock" to identify as having been sold during the prior or finance year. Otherwise, the Materials Furnished or Item Sales Form shall be cancelled and the materials returned to the stock shelves for inclusion into the inventory count.

C. Proper Inventory Cut-off Controls

1. All departmental forms for numbering and tracking Purchase Orders, Work Orders, Items Sold, Materials Furnished, Parts Requests, and Fuels/Fluids Sheet forms distributed for the year by the parts room shall be closed on 12/31/XX. New numbers shall be distributed by the parts room for all activity occurring after 12/31/XX with the new fiscal year numbering schematic. The Shop Operations Lead shall reconcile all ending purchase order, work order, materials furnished, items sold, and other recording instruments with the Parts and Inventory Specialist and the department accounting office, prior to the end of business in the new calendar year's first official work day.
2. Shipping and Receiving Packing Lists
 - a) All unprocessed shipping and receiving documents in the parts room on 12/31/XX, shall be labelled with a date of 12/31/XX, receipted into the inventory, processed to the department accounting office, and closed prior to the end of business on 12/31/XX.
 - b) All shipping and receiving documents received after 12/31/XX shall be clearly labelled on the day of receipt or delivery to the parts room. The labelling shall include;
 1. the date of delivery acceptance.
 2. the finance year purchase order or work order number the

inventory items were delivered under.

3. the inventory part number(s) for all items on the list.
4. the quantity of items received.
5. the purchase order or work order to be charged against.
6. the initials of the employee or department radio identification number of the employee receipting the item in.

3. Purchase Orders

- a) A cross reference listing of finance year and fiscal year purchase order numbers shall be created for all inventory items on incomplete or partially complete purchase orders for which a shipping and receiving list and inventory item delivery has not been received prior to the close of business on 12/31/XX. This listing shall be provided to the department accounting office prior to the close of business on the next business day in the new calendar year for reconciliation.
- b) All Purchase Order documents in process (orders placed prior to 12/31/XX and all inventory received in) shall be completed by the end of business on 12/31/XX. All inventory items in house prior to the close of business on 12/31/XX shall be placed into their proper stocking locations in the warehouse and receipted into the inventory tracking system by the end of business on 12/31/XX.
- c) All Purchase Order documents in process (orders placed prior to 12/31/XX and all inventory received but not receipted in yet) shall be completed by the end of business on 12/31/XX. The purchase order and packing list filed with the department accounting office prior to the close of business on the next business day. The inventory items shall be placed in their proper stocking locations in the warehouse by the end of business on 12/31/XX.
- d) ALL Purchase Order documents in process (orders placed prior to 12/31/XX and all inventory received after 12/31/XX but before the physical inventory count has been started) shall be labelled as "STOCK". The Purchase Order and inventory items shall be processed immediately, receipted into the inventory tracking system, and then stored into their proper warehouse stocking locations.
- e) All Purchase Order documents in process (orders placed prior to 12/31/XX and inventory items received after the physical counting process has begun) shall be labelled as "Not in Stock". The purchase order for the finance year shall be labelled as "VOID" and a new purchase order number for the fiscal year shall be issued. The inventory shall be properly labelled with the new fiscal year purchase order number. The inventory items and purchase order shall be held in a separate storage locations for processing after the physical count is completed.
- f) All Purchase Order documents in process (orders placed prior to 12/31/XX with some items received prior to 12/31/XX and some inventory items received after 12/31/XX) shall be labelled as "Partially Complete". The partially complete Purchase Orders shall be closed for

all items shipped and receipted prior to the start of the physical count as 12/31/XX. The remaining items ordered but not receipted on closed purchase orders shall have a new fiscal year purchase order number assigned to them, and those items shall not be included in the finance year physical count. If inventory items are delivered or shipped to during the count process; these items shall be held in a pre-defined area of the parts room, shall be labelled as "Not in Stock", labelled with the associated fiscal year purchase order number, and receipted in after completion of the physical count. All "Not in Stock" inventory items shall be properly labelled with the PO number they are associated with and processed after the completion of the physical count.

- g) All Purchase Orders created after 12/31/XX shall start with new numbering and sequentially numbered for the next fiscal year. No inventory item deliveries for the fiscal year shall be receipted into inventory until completion of the physical counting process. The purchases and transactions cannot be processed until after the completion of the physical inventory count is completed.
- h) All purchase orders shall be properly labelled with the following information;
 - 1. date of receipt
 - 2. initials of employee or employee departmental radio identification number
 - 3. purchase order number related to the order
 - 4. departmental inventory item number
 - 5. work order number or job number assigned to.

4. Work Orders

- a) A cross reference listing of finance year and fiscal year work order numbers shall be created for all inventory items on incomplete or partially complete work orders for which a shipping and receiving list and inventory item delivery has not been received prior to the close of business on 12/31/XX. This listing shall be provided to the department accounting office prior to the close of business on the next business day in the new calendar year for reconciliation.
- b) All Work Orders completed but not processed, shall be processed and closed by the end of business on 12/31/XX. These shall be delivered to the department accounting office prior to the close of business on 12/31/XX.
- c) All Work Orders; completed in whole or part, shall be closed at the end of work on 12/31/XX. Any inventory items already installed on machinery or equipment repairs on completed or partially completed work orders shall be closed out to 12/31/XX and processed as a completed work order.
- d) All incomplete work remaining on partially complete Work Orders shall be closed out on 12/31/XX by labelling as "VOID" on the closed work order next to those inventory items returned to STOCK. For all "Void" Work Orders on 12/31/XX, a new Work Order number shall be

assigned for the remaining activities on the partially completed or incomplete work order. Any inventory items labelled as "VOID" on partially complete Work Orders shall be returned to the warehouse and stock shelf for inclusion in the physical counting process. New fiscal year Work Order numbers shall be assigned for the incomplete or partially completed Work Orders closed out on 12/31/XX.

- e) New Work Orders can be assigned during the physical inventory count, however; no item shall be removed from inventory until the physical inventory count for the particular item has been completed as determined by the Business Manager.

5. Materials Furnished forms – internal sales of inventory items

- a) A cross reference listing of finance year and fiscal year Materials Furnished form numbers shall be created for all inventory items on incomplete or partially complete materials furnished forms for which an inventory item delivery has not been received prior to the close of business on 12/31/XX. This listing shall be provided to the department accounting office prior to the close of business on the next business day in the new calendar year for reconciliation.
- b) All Materials Furnished forms issued prior to the end of business on 12/31/XX, shall be completed, closed, and processed prior to the close of business on 12/31/XX. All inventory associated to these closed Materials Furnished forms shall have been disbursed from the inventory tracking system, charged to a general ledger account via a job number or work order, and not be included in the physical inventory count..
- c) All incomplete Materials Furnished forms for which the inventory items are in house shall be closed, cancelled, and reconciled with the department accounting office prior to the close of business on 12/31/XX. All inventory items related to incomplete Materials Furnished forms shall be recorded into the inventory tracking system, restocked to the inventory storage locations, and included in the year-end physical inventory count.
- d) All partially complete Materials Furnished forms for which some inventory items have been delivered and others have not been receipted in yet shall be labelled as "Incomplete MF" and split. The portion of the incomplete Materials Furnished form which has been removed from inventory and incorporated into the work shall be processed and closed. The portion of the incomplete Materials Furnished form in which the inventory has not been removed, delivered, or incorporated into the work shall be labelled as "Re-stocked" and closed. The remaining inventory items on listed on the Materials Furnished form shall be replaced into the inventory tracking system, placed in their proper inventory storage location, included in the year-end physical inventory count, and reconciled with the accounting office.
- e) No new Materials Furnished forms will be processed or goods sold from inventory until completion of the physical inventory count as

determined by the Business Manager.

6. Item Sales Forms – sales of inventory items to non-departmental customers.
 - a) A cross reference listing of finance year and fiscal year Item Sales form numbers shall be created prior to the close of business on 12/31/XX. This listing shall be provided to the department accounting office prior to the close of business on the next business day in the new calendar year for reconciliation.
 - b) All Items Sales forms for the year shall be closed and submitted to the department business office prior to the close of business on 12/31/XX. All sales associated with these Items Sales forms shall have been disbursed from inventory and delivered to the purchasers.
 - c) Any Item Sales forms completed but the items are being held for pick-up by or delivery to the purchaser shall either be delivered or cancelled prior to the close of business on 12/31/XX. If cancelled, the Item Sales form shall be reconciled to the department business office and all items returned to the inventory tracking system and stored in their respective locations in the inventory storage prior to the close of business on 12/31/XX.
 - d) Any cancelled Item Sales forms shall be re-issued with the new calendar year numbering schematic, after completion of the year-end physical inventory count.
 - e) No new Item Sales forms will be processed or goods sold from inventory until completion of the physical inventory count as determined by the Business Manager.
7. Parts Requests – requests for parts from inventory by employees.
 - a) A cross reference listing of finance year and fiscal year Parts Request forms numbers shall be created for all inventory items on incomplete or partially complete materials furnished forms for which an inventory item delivery has not been received prior to the close of business on 12/31/XX. This listing shall be provided to the department accounting office prior to the close of business on the next business day in the new calendar year for reconciliation.
 - b) All Parts Requests issued shall be closed as of the end of business on 12/31/XX. Any Parts Requests submitted after 12/31/XX shall include the new calendar year numbering schematic. All 12/31/XX and prior Parts Requests forms shall be reconciled with the department accounting office by the end of business in the new calendar year.
 - c) All parts listed on prior year's Parts Requests forms shall have been removed from inventory, provided to the requestor, and incorporated into the work through either a work order or direct charge equipment or machinery number.
 - d) Incomplete Parts Request forms shall be split and cancelled or closed prior to the end of business on 12/31/XX. Those parts on the request form which have been removed from inventory, provided to the employee, and incorporated into the work shall be closed and reconciled with the department accounting office. Those parts on the

parts request which have not been delivered to the employee yet due to not in inventory or not processed shall be split to a new parts request. For items not in inventory, the Parts Request shall be re-issued with a new fiscal year form numbering schematic. For items in inventory but not delivered yet, the inventory shall remain in the inventory tracking system, stock remain in their storage locations, items included in the year-end physical inventory count, and not delivered until the inventory count is completed as a new Parts request form in the new fiscal numbering schematic.

8. Monthly Fuels/Fluids Sheets – records of fuel and fluids transactions from the outlying shops or off-road diesel fuel tank distribution trucks.

- a) A cross reference listing of finance year and fiscal year Monthly Fuel/Fluids sheet numbering shall be reconciled with the department accounting office prior to the close of business on 12/31/XX. All prior year (12/31/XX and before) monthly/weekly fuel/fluid sheets shall be delivered to the department accounting office prior to the close of business on the first business day of the new calendar year.
- b) Monthly Fuel/Fluids sheets include the following documents:
 1. Weekly Fluid Transfer forms for transfer of oils and hydraulic fluids from the bulk inventory storage at the Dodgeville shop to temporary storage locations at the outlying shops. Fluid transfer sheets are reported from the Dodgeville main shop for withdrawals from one parts warehouse (Dodgeville) to another warehouse by location (outlying shops).
 2. Monthly Fluid Sheets for withdrawal of oils and hydraulic fluids from the outlying shops temporary storage locations to charge out usage against the equipment and machinery. Monthly fluid sheets are reported by the County Section Maintenance Patrols from the outlying shop locations of:
 - a. Barneveld
 - b. Hollandale
 - c. Highland
 - d. Mifflin
 3. Monthly Fuel Sheets for purchases of fuel from external locations to charge out for usage in the equipment and machinery. Monthly fuel sheets are reported by the County Section Maintenance Patrols from the following locations for reconciliation with fuel receipts for external fuel fills:
 - a. Barneveld
 - b. Highland
 - c. Hollandale
 - d. Mifflin
 4. Monthly Fuel sheets for withdrawal of off-road diesel fuels from temporary bulk storage locations for usage in the equipment and machinery at various locations. Temporary off-road diesel fuel storage tanks are maintained on some fleet

vehicles for the filling of off-road fuel usage vehicles. The off-road diesel fuel is stored in bulk containers at the Dodgeville shop and sold to the temporary storage tanks on the trucks through the Dodgeville shop fuel farm recording system. Monthly Fuel sheets should be reported and reconciled from the following vehicles by the listed crew leads:

- a. ~~Truck 113~~ County Section Maintenance Crew Lead
 - b. ~~Truck 161~~ Grade Crew lead
 - c. ~~Truck 164~~ Road Oil Crew Lead
- c) All temporary storage fuel/fluids transfer sheets shall be reconciled with the inventory tracking system with a close of business on 12/31/XX. Any transfers of fluids after 12/31/XX shall be numbered with the new calendar year numbering schematic. This may/will result in multiple fuel/fluid sheets for the week of 12/31/XX, or two weekly transfer sheets for the week; in lieu of the customary one.
- d) All secondary warehouse locations of fluids/fuel shall be locked down with no transfers of fluids from those locations until reconciliation of the inventory items with the main warehouse inventory physical count.
9. Shop Lead and Highway Accounting ~~Staff~~~~Specialists~~ shall record the closing date and last assigned number of all of the above documents prior to the start of the physical inventory count for the finance year on 12/31/XX. Any numbers assigned after this point shall be in the new finance year numbering schematic for the respective forms and dated 01/01/XX.

D. The Physical Inventory Items

1. All inventory items within the inventory tracking system listing maintained by the CollectiveData software and the ACS-New Roads Inventory shall be physically counted and accounted for at all warehouse and stock storage locations, regardless of the physical amount on-hand.
2. No items owned by the state shall be counted. No shop supplies, tools, or other direct charged incidental items shall be counted as a part of the physical inventory process.
3. The following inventory items are included in the inventory tracking system for the end-of-year physical inventory count:
 - i. Tires
 - ii. Batteries
 - iii. Regular unleaded, diesel, and off-road diesel fuel tanks
 - iv. Oils, lubes, coolants, and other bulk fluid storage
 - v. Equipment, machinery, and automotive parts and supplies
 - vi. Personal Protective and other Safety Equipment
 - vii. Construction materials and supplies;
 1. Fabrics
 2. Paint
 3. Beads
 4. Fencing

5. Culverts
6. Guardrail
7. Roadway signs and posts
8. Object Markers
9. Grass seed
10. Chemicals
11. and all other incidental items
- viii. Salt and sanding materials
- ix. Quarry stockpiles
- x. Asphalt Plant stockpiles
- xi. Other special items as listed on the pre-printed inventory sheets
4. The following parties shall be responsible for the physical inventory counting of the above listed items under the direction of the Highway Commissioner:
 - i. Asphalt/Quarry Lead – Quarry and asphalt plant material stockpiles
 - ii. Operations Manager – Salt and Sanding Material storage facilities
 - iii. Shop mechanic assigned to maintenance of the fuel farm - Dodgeville fuel farm storage tanks for regular unleaded, diesel, and off-road diesel
 - iv. County Section Maintenance Crew Lead – off-road diesel fuel tank at the Mifflin shop and in truck #113
 - v. Grade Crew Lead – off-road fuel tank in truck #161
 - vi. Road Oil crew Lead – off-road fuel in truck #164
 - vii. Non-shop personnel teams assigned by the Operations Manager – all other inventory items listed in (3) above and unassigned
5. The following are the inventory storage locations;
 - i. Dodgeville Shop
 1. All cabinets, bins, and storage containers in the parts room
 2. Storage cabinets and racks in the main shop
 3. Basement shelving and racks
 4. Parts room mezzanine – sign shop
 5. Welding Shop wrought iron and steel racks
 6. Tire Bay/Saw Shop
 7. Bulk fluids storage in the main shop
 8. Bulk fuel storage in the storage yard fuel farm
 9. Culvert yard
 10. Blade room in the upper storage building
 - ii. Salt, sanding materials, asphalt products, and gravel products.
 1. Dodgeville
 - a. Pump shed
 - b. Bucky shed
 - c. King Street agri-service shed
 - d. Main storage yard
 2. Barneveld – Town of Brigham facilities
 3. Highland
 - a. Shop
 - b. Salt Shed
 - c. Storage building

4. Hollandale
 - a. Shop
 - b. Salt shed
5. Mifflin
 - a. Salt shed
 - b. Shop
6. County Quarry on CTH Z
- iii. Mifflin Shop
 1. Off-road bulk diesel fuel tank
- iv. Off-road temporary bulk diesel fuel storage tanks (approximately 115-gallon capacity):
 1. Truck #113
 2. Truck # 161
 3. Truck #164

EXECUTION OF THE PHYSICAL COUNT

- A. Highway Commissioner shall determine the starting day of the physical inventory counting process, which shall be between 12/31/XX and the end of the first full week in January. The Highway Commissioner will determine the date of completion of the physical counting process related to the end of the cut-off of inventory controls.
- B. ~~Business Manager~~ Highway Commissioner will coordinate with the Finance Director to notify the financial audit firm of the schedule for the physical inventory counting process and coordinate the audit of the counting process.
- C. Counting shall be performed by non-shop and non-accounting office employees. Counting shall not be done by the same employees who are responsible for physical custody of the inventory in the parts room and shop. Counting shall not be performed by employees who are responsible for, who process Purchase Orders, or who perform Work Order activities related to charging out or paying for the inventory.
- D. If counting is to be performed simultaneously by multiple teams, specific inventory areas shall be assigned to each counting team. All inventory items shall only be counted once as controlled by the inventory item tracking system listing report.
- E. Inventory items being counted will only be recorded on the pre-printed tracking system reports provided by the department accounting office. All reports, whether completed or not, shall be turned into the ~~Highway Commissioner~~ Business Manager on a daily basis. The recorder of the information related to the count shall initial each pre-printed inventory sheet. If multiple teams fill out information on the same sheet, the items on the sheet shall be identified as to the team having counted them.
- F. Recorders of information shall initial each and every pre-printed inventory sheet. All reports shall be turned into the ~~Highway Commissioner~~ Business Manager on a daily basis.
- G. All inventory items on the pre-print ed sheets shall be counted, regardless of the quantity on-hand at the time. The pre-printed inventory item sheets shall be completed in their entirety. If none of a particular inventory item is in stock; the recorder shall fill in a '0' in the blank next to the respective item on the inventory

sheet. The physical inventory counting process shall not be considered as complete and finished until there is an entry for all inventory items on all sheets.

- H. All inventory items on the pre-printed list shall have a designated warehouse stocking location associated to them. For those inventory items without a warehouse stocking location listed, the recorder shall enter where the items were stored at. For the locations of items not listed and not found, the ~~Business Manager~~ Highway Commissioner shall determine a course of corrective action and record the agreed upon location on the sheets.
- I. If an inventory item cannot be located in the warehouse stocking location listed or an inventory item exists in inventory but is not on the pre-printed inventory listing; the counting team shall notify the ~~Highway Commissioner~~ Business Manager to determine a corrective action. The recorder shall label in the margin on the pre-printed sheets the outcome of the decision related to the item and initial.

Formatted: Add space between paragraphs of the same style

ANALYSIS OF THE PHYSICAL COUNT BY THE BUSINESS OFFICE

- A. An employee who is not in charge of purchasing or paying for inventory items shall compare the filled out pre-printed count sheets with the accounting records to create a discrepancy report.
- B. The ~~Highway Commissioner~~ Business Manager shall audit the counts and conduct/oversee recounts if there are irreconcilable differences for verification. When performing verifications, pay attention to fast-moving and high volume items.
- C. Print the final discrepancy report and review thoroughly.
- D. Highway Accounting ~~Staff~~ Specialists shall provide a final discrepancy report to the Commissioner for review and discussion upon completion of all tasks.
- E. Highway ~~Accounting Specialists~~ Business Manager shall reconcile physical inventory counting process results with the financial auditor. The Highway Commissioner and financial auditor shall determine a course of corrective action for any irreconcilable differences or exceptions.
- F. When inventory balancing and verification of the counting process has been completed and the final discrepancy report accepted by the Highway Commissioner; the inventory cut-off controls will be suspended and the accounting and shop staff can begin processing new finance year transactions. Staff shall start with processing of packing lists, shipping receipts, purchase orders, and work orders for inventory labelled as "In House", which was receipted in between 12/31/XX and the end of the physical count.