Cowley County Inventory Management Policy

1. Purpose

This policy is established in accordance with Kansas Statute 19-2687 to ensure systematic tracking, accountability, and management of all personal property owned by the county. In compliance with the statute, each county officer, department head, or designated personnel is responsible for conducting an annual inventory of all county-owned assets under their supervision, documenting sufficient identifying details, and submitting the completed inventory to the county clerk by December 31 each year. However, effective upon adoption of this policy, the Board of County Commissioners is reassigning the responsibility for maintaining the county's inventory records from the County Clerk to personnel within the County Administrator's Office. The County Administrator's Office shall maintain the official inventory record, ensure completeness and accuracy, and provide the Board with a consolidated report for review and verification each February. This policy aligns with the county's procurement policy to ensure proper acquisition, tracking, and management of assets.

2. Scope

This policy applies to all county officers, department heads, employees, and any person responsible for managing, supervising, or using county-owned property. This policy provides a structured framework for inventory categorization, record-keeping, and compliance enforcement, ensuring fiscal responsibility, operational efficiency, and the safeguarding of public assets.

3. Objectives

- A well-structured and consistently managed inventory policy ensures compliance with state requirements and promotes efficient property management. This policy achieves the following objectives:
    - Ensure legal compliance with Kansas Statute 19-2687
    - Maintain accurate records of county property with timely reporting
    - Standardize inventory procedures across all county departments
    - Prevent mismanagement or loss of county property

4. Inventory Classification

All purchases must adhere to the county's procurement policies and meet guidelines outlined below.

- **Fixed Assets**: Items with a long lifespan (typically five or more years) and significant monetary value that are not easily moved. These assets are integral to the county infrastructure and operations and are tracked for depreciation. Items in this category are originally purchased for $5,000 or more. Examples: County-owned buildings, HVAC systems, permanently installed generators, and specialized equipment.
- **Non-Fixed Assets**: Items not permanently attached to a location, but support county operations and have a moderate lifespan (typically two to ten years). These assets are

movable yet essential for functionality. Items in this category are originally purchased for $100 or more. Examples: Office furniture (desks, chairs, filing cabinets), appliances (refrigerators, microwaves), and storage racks.

- **Technology/Electronics**: Digital and electronic equipment used for communication, computing, and data management. These assets often have a shorter lifecycle due to technological advancements. Items in this category are originally purchased for $300 or more. Examples: Computers, printers, servers, tablets, projectors/screens, phones, networking equipment (routers, modems).
- **Vehicles/Equipment**: County-owned vehicles, heavy machinery, and specialty equipment necessary for county operations, public works, and road maintenance. These assets require routine maintenance and are essential for fieldwork. Examples: Trucks, construction and road maintenance vehicles (excavators, graders, pavers, snowplows), and landscaping tools (mowers, chainsaws, power tools).
- **Consumables**: Items that are not immediately used within a year but are gradually consumed over time and require inventory tracking. Examples: Street signs, traffic control devices, safety barriers, paint, and concrete mix. Items in this category are originally purchased for $100 or more. Excluded items include books, records, files, stationery, writing materials, and blank legal paper stored in various county offices.

5. Policy Statement

- Inventory Compliance and Accountability Requirements
  - o All county officers, department heads, and personnel must adhere to this policy to ensure accurate record-keeping, asset management, and accountability. Inventory management must comply with local, state, and federal regulations, including Kansas Statute 19-2687. Departments are responsible for documenting asset purchases, usage, transfers, and disposals in accordance with the county's established policies. To ensure adherence, the County Administrator's Office, in collaboration with designated department personnel, will conduct annual compliance audits. Failure to comply with inventory policies or serious violations, including willful neglect, falsifying records, or unauthorized disposal of assets, may lead to corrective actions. These actions may include additional training, increased oversight, or disciplinary measures as determined by the department supervisor.
  - o If discrepancies are identified, departments must submit a corrective action plan outlining steps to resolve the issue. Discrepancies may include incorrect asset counts or misidentifications; asset locations or conditions that do not match documented records; or missing or damaged assets that have not been reported or documented. Departments with repeated or unresolved discrepancies may be subject to a formal audit by county leadership.
- Departmental Feedback and Continuous Improvement
  - o To enhance inventory management and address challenges, the County Administrator's Office will gather feedback from department heads and designated personnel as part of the annual review. Following the December inventory submission, a feedback form will be distributed to collect insights on procedural challenges, software usability, and policy improvements.

- Standardization of Inventory Practices
  - All county departments must follow uniform procedures for recording, tracking, and maintaining assets to ensure consistency and accountability. A structured asset tracking system improves efficiency by providing real-time visibility into county-owned property, minimizing loss, and supporting better management of assets. Standardized procedures also help ensure smoother audits and facilitate asset transfers between departments. Maintaining accurate records reduces discrepancies during audits and helps with informed decision-making regarding asset management.

6. Implementation

- Training Requirements
  - All personnel will receive initial training on the inventory policy upon its implementation. This training will cover all key procedures, categories, and responsibilities associated with the policy.
  - An annual refresher training will be provided to help all personnel stay informed about the policy, any updates or changes, and best practices for inventory management. Participation is necessary for all employees involved in inventory tracking, management, and reporting.
  - In cases where individuals or departments are found to be noncompliant with the inventory policy, additional training may be required. This training will be tailored to address specific gaps or issues in compliance. The department head or supervisor will notify individuals in need of this follow-up training, and corrective measures will be implemented as necessary.
- Inventory Tracking and Record Keeping
  - For every county-owned asset recorded into AssetPanda, the following details must be included: item name, item description, quantity, acquisition date, original purchase price, physical location, and assigned personnel or department. Additional requirements will vary by category and will be listed in AssetPanda.
  - To ensure proper tracking and accountability of county assets, the following guidelines for asset stickers are established:
    - **Fixed Assets**: No asset stickers are required for fixed assets.
    - **Non-Fixed Assets**: All non-fixed assets must be labeled with an asset sticker.
    - **Technology/Electronics**: All technology and electronics must be labeled with an asset sticker.
    - **Vehicles/Equipment**: Vehicles and equipment require asset identification, but instead of traditional asset stickers, the last four digits of the Vehicle Identification Number (VIN) will be used for labeling.
    - **Consumables**: Consumables do not require asset stickers; however, they must be tracked in the inventory system for accountability and replenishment purposes.

- All county officers, department heads, and personnel responsible for managing county-owned property must ensure inventory records are updated promptly throughout the year to reflect acquisitions, disposals, transfers, and maintenance activities. This includes recording the transfer of items between departments or locations, along with the date and new location.
- Reporting Inventory Loss, Theft, or Damage
    - County assets must be safeguarded against theft, loss, or unauthorized use. Departments are required to implement security measures such as restricted access to high-value assets, regular inventory audits, and prompt reporting of missing or damaged items. Any suspected or confirmed loss, theft, or damage must be reported immediately to the designated department supervisor, including a formal incident report with asset details and circumstances. Investigations will determine the cause and implement corrective measures.
- Decommissioning Inventory
    - Departments must actively manage assets to ensure effective utilization. Obsolete or underutilized items should be reviewed for potential repurpose within the county before decommissioning. Decommission procedures must adhere to established policies, ensuring proper documentation, financial reporting, and compliance with Kansas Statute 19-211. This statute outlines the requirements for public notice, valuation thresholds, and approval processes. Fixed assets must undergo an approval process before decommissioning. Once decommissioned, the item must be documented in the designated inventory tracking program, including the date of sale or decommission.
- Inventory Audits & Cycle Counts
    - Each county officer and head of every department or office is required to conduct a comprehensive investigation, inspection, and inventory of all property owned by the county and located under their supervision. The inventory must include a detailed description of the type, amount, and location of each item of personal property, excluding office materials such as books, records, files, stationery, writing materials, and blank legal papers. This process will take place annually during December, with all inventories completed and filed electronically using AssetPanda. All submissions must be received by December 31.
- Emergency Inventory Adjustments
    - In cases of a special emergency event declared by county leadership, county departments may need to acquire, transfer, or dispose of assets outside standard procedures. A Special Emergency Event is an unforeseen incident requiring immediate response due to its significant impact on public safety, operations, or infrastructure, beyond routine emergencies. Temporary asset transfers must be logged, and emergency disposals must include proper justification. If electronic access is unavailable, records must be documented manually and entered in the software system as soon as practical following the emergency. A post-emergency audit will be conducted to ensure compliance and accountability.

7. Policy Review and Compliance Checks

- The Board of County Commissioners will delegate the annual review and verification of inventory records to designated county personnel within the County Administrator's Office. Each year, these personnel will verify adherence to the policy by reviewing departmental inventory records for accuracy and compliance. As part of this process, a summary report will be generated from the inventory software, along with a cover sheet or letter for presentation to the Board. This certification will be submitted annually as part of the review process. During February, the Board of County Commissioners will formally review and verify the inventory records provided and sign a certificate of approval. If necessary, the Board may adjust the review schedule to ensure continued compliance with the policy.
- In addition to the annual review, quarterly check-ins will be conducted. These check-ins will involve a two-way match between invoices of the items and the data in the inventory software. This review will confirm the presence of items in the inventory and ensure compliance with the policy's requirements. Any discrepancies or noncompliance issues will be documented, and the appropriate parties will be notified for resolution. If initial outreach does not result in corrective action, the matter will be escalated to county leadership for further review and enforcement.