

Internal Audit Report #2020-007
Follow Up: Public Works Warehouses - Inventory
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OVERVIEW

BACKGROUND

Public Works consists of many departments such as Capital Projects, Drainage, Engineering, Environmental, Parkways, Sewerage, Streets, and Water. These departments often share common supplies; thus, they order items in bulk to store at various locations throughout the Parish. The items are then issued to different departments as needed, including non-Public Works departments such as the Animal Shelter and Parks & Recreation.

The Department of Engineering has been designated to manage over 12,000 different inventory items for all Public Works and other departments. The value of which approximated \$8.3 million as of November 15, 2020. The Oracle software system is used to track inventory data. The Warehouse Superintendent is responsible for receiving, issuing and transferring, and accounting for all inventory items located in the following locations.

Name	Address
East Bank Warehouse	4901 Jefferson Highway, Jefferson
West Bank Warehouse (new) July 23, 2018	1500 River Park Blvd, Bridge City
Streets Warehouse	5701 Belle Terre Road, Marrero

Internal Audit issued an initial audit of Public Works Inventory in June 2018 (See Attachment A). At that time, inventory was also stored at the following locations but not tracked by the Department of Engineering. The table below highlights the status of each of those locations. (See Attachment G for site maps of all locations.)

Name	Address	Status
West Bank Warehouse (old)	6250 Lapalco Boulevard, Marrero	This location was closed. Items were transferred to the new site; some items remain and will either be moved to the new location or sent to surplus.
East Bank Pipe Stockroom	3600 Jefferson Highway, Jefferson	No changes. Large pipe inventory remains at this location.
West Bank Plant Stockroom	4500 Westbank Expressway, Marrero	Bulk storage chlorine and supplies for Water treatment are stored here and tracked by the Water Department.
Bridge City Yards	1450/1561 River Park Boulevard, Bridge City	Equipment and aggregate for Sewerage, Drainage, and Water are stored here and not inventoried by Engineering.
Shrewsbury Yard	200 Shrewsbury Road, Jefferson	Equipment and supplies used by Streets are stored here and not inventoried by Engineering.

OBJECTIVES

This audit's objectives were to follow up on the Findings and Recommendations documented via Internal Audit Report 2018-004: Public Works Warehouses – Inventory. The audit report was issued on June 26, 2018, and contained the Recommendations listed below. The full report is included as Attachment A to this report.

- 1) Formalize and enhance written policies and procedures.
- 2) Implement inventory software system to interface with Parish system.
- 3) Perform “blind counts” on inventory - versus knowing the amount before the count.
- 4) Set accuracy goals for inventory counts.
- 5) Explore more sophisticated methods to inventory aggregate (sand, dirt, etc.).
- 6) Better manage obsolete, stale, or stockpiled inventory items.
- 7) Account for Public Works inventory in all locations.
- 8) Evaluate security cameras and increase the physical security of facilities.

Internal Audit’s general objective was to determine what changes have been made relative to these eight (8) Findings and Recommendations.

SCOPE / PROCEDURES

The last audit covered the periods ending December 31, 2016, and 2017, and extended through inventory balances on-hand as of April 13, 2018. This audit includes an analysis of balances as of December 31, 2019, and was extended to November 15, 2020, to examine data as of the writing of this report.

The following substantiates the basis of this audit but is not meant to be an all-inclusive list of information collected.

- ✓ Listing of current locations where all inventory is stored.
- ✓ Listing of all individuals, by location, who have authorized access to the inventory storage areas.
- ✓ Current department policies and procedures regarding tracking physical inventory from receipts of product to product use, including general ledger recordation and adjustments.
- ✓ Listing of inventory on hand at December 31, 2018, and 2019, and November 15, 2020, including Location, Stock No., Description, Quantity, Cost, Total Value of Each Item, and Last Activity Date.
- ✓ Written responses describing actions taken and the current status of the prior audit findings are shown on this report's previous page.
- ✓ Reports from the Department of Security regarding consultation provided to the Department of Engineering surrounding cameras and building access.

Information was collected in person, via telephone conversations and email exchanges. On-site visits were made to the warehouse locations on November 17, 2020.

FINDING #1: WRITTEN POLICIES AND PROCEDURES

CRITERIA

Formal written policies and procedures (P&P) act as the standards for an organization's operations. Good written P&P are visible to and clearly understood by the entire department/entity. P&P should be established, followed, monitored, and reviewed.

FINDINGS

Written policies and procedures have been drafted but not implemented.

OBSERVATIONS

The following finding was documented via Internal Audit report 2018-004: Written policies and procedures are not comprehensive and organized in a logical fashion.

As of the previous report date of June 26, 2018, the written P&P provided by the Warehouse Superintendent included two pages of procedures that were already in place and two more pages that were created as a result of the Internal Audit. Additionally, Grainger, an industrial supply and equipment provider, made a process mapping during the latter part of 2013 and into early 2014, which was affixed to a wall in a conference room at 4901 Jefferson Highway and appeared not to be in active use.

Standard Operating Procedures (SOP's) were drafted by the Department (See Attachment B) with an effective date of May 1, 2019. The SOP's address the following operating areas:

Date	Subject	Date	Subject
12/01/2018	Receiving of Material	02/22/2019	Product Stocking
10/10/2018	Return Goods	02/27/2019	Floater Meters – Issues and Returns
11/15/2018	Physical Inventory	02/20/2019	Updating a Material Order
02/20/2019	Issuing Materials	02/20/2019	Transfer Stock Items
02/20/2019	Creating a Requisition	03/20/2019	Surplus Asset and Inventory Processing
11/15/2018	Truck Inventory – Water Dept	03/20/2019	Material Account Transfers Report
11/15/2018	Creating a Material Order		

According to the Warehouse Superintendent, Jerry Zeringue, although the effective date of the SOP's is May 1, 2019, the Department is still working on implementing them as of the writing of this report. When asked about barriers to implementation, Mr. Zeringue stated that the "procedures must be approved by the Director before being implemented." The previous Director, Mr. Mark Drewes, accepted the position of Director of Public Works and began that role effective January 8, 2020. Ms. Angela Desoto assumed the role to become the new Director of Engineering effective June 1, 2020. According to Ms. Desoto and Mr. Zeringue, approval of the policies and procedures occurred during the last week of November 2020. Implementation and training is anticipated in January 2021.

RECOMMENDATION

Written policies and procedures (P&P) should be implemented as planned. All affected employees should be trained so that P&P are appropriately followed. Employees should be monitored as to compliance with the P&P. The P&P should be periodically reviewed and revised, as necessary.

FINDING #2: SYSTEMS USED TO TRACK INVENTORY

CRITERIA

Accurate and reliable recordkeeping is vital and enables parish leaders to have confidence in financial data and inventory levels used in decision-making.

FINDING

Two different systems are used to track inventory and maintain Parish financial data. The systems are not integrated, which creates the need for manual input and increases the likelihood of errors and data omissions.

OBSERVATIONS

The following finding was documented via Internal Audit report 2018-004: Two different systems are used to track inventory (Oracle) and maintain Parish financial data (AS/400). The systems are not integrated, which creates the need for manual input and increases the likelihood of errors and omissions of data.

Internal Audit recommended that the Department continue evaluating the need to implement an inventory software system that will interface with the Parish's Financial System to increase efficiencies in processes and increase the accuracy and validity of inventory data.

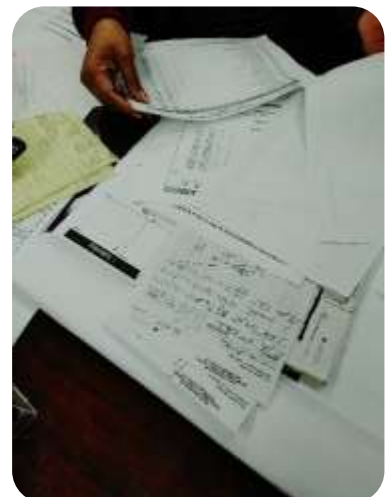
According to the Warehouse Superintendent, Jerry Zeringue, "there has been no movement on this finding." On October 19, 2020, a meeting was held to discuss the Oracle software system used to track Public Works inventory. According to Mr. Zeringue, an interface between the Oracle and AS/400 system is a priority. Other items were also discussed, such as barcoding, an inventory interface with the work order system, and tracking materials in the yards through work orders. Notes from the meeting can be found in Attachment D to this report.

Internal Audit observed manual processes and comments from employees about such during warehouse visits. The picture to the right is of a desk of an employee at the Jefferson Highway warehouse and helps to illustrate the manual processes needed to track the flow of inventory. The Department should keep this in mind and try to automate processes to the extent possible. Streamlined and automated processes will also reduce the likelihood of errors.

Finding #2 from Internal Audit report 2018-004 has not been resolved. Both the finding and the recommendation remain unchanged.

RECOMMENDATION

The Department should continue evaluating the need to implement an inventory software system that will interface with the Parish's Financial System to increase efficiencies in processes and increase the accuracy and validity of inventory data.



FINDING #3: PHYSICAL INVENTORY – BLIND COUNT

CRITERIA

Accurate and reliable recordkeeping is vital and enables parish leaders to have confidence in financial data and inventory levels used in decision-making.

FINDING

None.

OBSERVATIONS

The following finding was documented via Internal Audit report 2018-004: Physical inventory conducted by staff was not “blind.” A “blind” count is a physical inventory taken by personnel who count the number of items on-hand without knowing the system's quantities. Reasons for the discrepancies noted on the count sheets were not indicated either on the count sheets or within the Oracle system.

The Department utilizes a listing of inventory items on hand, which is generated from the Oracle System. The listing contains a description of each inventory item, the stock number, and the unit price. The documentation provided by the Department illustrates that the quantity on hand has been removed from the listing. This change in procedures allows the person to count items without bias for how many units should be on hand and facilitate an accurate accounting of actual inventory. Below is an excerpt of an inventory listing.

8/13/20

Page 1

JEFFERSON PARISH
PUBLIC WORKS WAREHOUSE
COUNT BOOK CB20-32156
EASTBANK #1

49 Items

Step I

Count Book Description

Date/Time Activated

Activated By

EB1 W42-PVC COUPLINGS, TEES, UNION &
ADAPTER

10/13/20 08:10:19

OMAGEE

Stock No. - Description

Unit Price

Counted
Quantity

Date
Counted

00-000000

TEE, PVC, SCHEDULE 80, 1/2 IN SOCKET X SOCKET X SOCKET

1.32 EACH

00-0000375

TEE, PVC, SCHEDULE 80, 1/2 IN, FEMALE PIPE THREAD X FEMALE PIPE THREAD X FEMALE PIPE THREAD, ELECTRICAL CONDUIT FITTINGS ARE NOT ACCEPTABLE

1.70 EACH

00-0000000

TEE, PVC, SCHEDULE 80, 3/4 IN, FEMALE SOCKET X FEMALE SOCKET X SOCKET (ELECTRICAL CONDUIT FITTINGS ARE NOT ACCEPTABLE)

1.38 EACH

00-0000000

TEE, PVC, SCHEDULE 80, 3/4 IN, FEMALE SOCKET X FEMALE SOCKET X SOCKET (ELECTRICAL CONDUIT FITTINGS ARE NOT ACCEPTABLE)

1.40 EACH

00-0000000

TEE, PVC, SCHEDULE 80, 1 IN, FEMALE SOCKET X FEMALE SOCKET X FEMALE SOCKET, ELECTRICAL CONDUIT FITTINGS ARE NOT ACCEPTABLE

1.70 EACH

00-0000000

TEE, PVC, SCHEDULE 80, 1 INCH FEMALE THREAD X FEMALE THREAD X FEMALE THREAD, FASTENAL 48001918

3.40 EACH

00-0000000

TEE, PVC, SCHEDULE 80, 1-1/4 IN X 1-1/4 IN X 1-1/4 IN, SOCKET X SOCKET X SOCKET, ELECTRICAL CONDUIT FITTINGS ARE NOT ACCEPTABLE

7.10 EACH

00-0000000

TEE PVC 1 1/2" T X T X T

8.07 EACH

00-0000000

TEE, PVC, SCHEDULE 80, 1-1/2 IN, FEMALE SOCKET X FEMALE SOCKET X FEMALE SOCKET, ELECTRICAL CONDUIT FITTINGS ARE NOT ACCEPTABLE

8.82 EACH

00-0000000

TEE PVC 1 1/2" T X T X T

1.86 EACH

00-0000000

TEE, PVC, SCHEDULE 80, 2 IN, FEMALE SOCKET X FEMALE SOCKET X FEMALE SOCKET, ELECTRICAL CONDUIT FITTINGS ARE NOT ACCEPTABLE

8.80 EACH

00-0000000

TEE, SCHEDULE 80, PVC, 3 INCH, SOCKET X SOCKET X SOCKET

8.82 EACH

RECOMMENDATION

None. This Finding #3 from Internal Audit report 2018-004 has been resolved.

FINDING #4: INVENTORY RECORD ACCURACY RATE

CRITERIA

Accurate and reliable recordkeeping is paramount and enables parish leaders to have confidence in financial data and inventory levels used in decision-making.

FINDING

A benchmark has not been set to establish a current level of accuracy for physical inventory counts.

OBSERVATIONS

The following finding was documented via Internal Audit report 2018-004: The overall inventory record accuracy rate for sample counts at three different locations were 50%, 83%, and 0%.

During the previous audit conducted, Internal Audit performed sample counts at three locations: 4901 Jefferson Highway, 6250 Lapalco Boulevard, and 5701 Belle Terre Road. Warehouse staff did not know which items were to be counted prior to the visit, and the counts were “blind,” meaning the quantity per the Oracle system was unknown at the time of the count. Four different items were evaluated as part of the count: 1) Quantity on Hand, 2) Unit of Measure, 3) Location of Item, and 4) Description of Item.

If any of the above items was incorrect, then the set of information for an individual item was considered inaccurate. The accuracy rate was calculated using the following formula:

Number of Accurate Records *divided by* Total Number of Records *equals* Accuracy Rate

The overall inventory record accuracy rate for sample counts at the three different locations were 50%, 83%, and 0%. Internal Audit recommended that the Department set goals for those who count inventory to achieve the 95% accuracy level as suggested by GAO.

According to the Warehouse Superintendent, Jerry Zeringue, “a benchmark has not been set to establish the current level of accuracy. There is currently no program to practically capture the pre-count on-hand quantities in order to make this calculation. A request has been submitted to the IT department to produce a report for this data and should be available for the final inventory count this year (2020). Any new software is not in the near future. All training has been of an informal nature.”

Until such time that an overall accuracy rate can be calculated, a rate can be calculated on a sample basis like the calculation made by Internal Audit in the preview report.

The recommendation made by Internal Audit for this area remains unchanged.

RECOMMENDATION

The Department should set goals for those who count inventory to achieve the 95% level of accuracy, as suggested by GAO.

FINDING #5: MEASUREMENT OF AGGREGATE QUANTITIES

CRITERIA

Accurate and reliable recordkeeping is paramount and enables parish leaders to have confidence in financial data and inventory levels used in decision-making.

FINDING

When taking physical inventory, aggregate levels are being calculated using a variation of a standard calculation. This calculation results in the overstatement of physical inventory.

OBSERVATIONS

The Department of Public Works uses aggregate for various projects throughout the Parish. The following recommendation was documented via Internal Audit report 2018-004:

Aggregate that is purchased and delivered to the Parish needs to be verified as to quantity received. The Department of Public works should determine if purchasing a scale is cost-effective or determine a viable method of verification. Similarly, aggregate that is issued from and subsequently returned to inventory needs to be accurately measured as to quantity to maintain accurate inventory levels data.

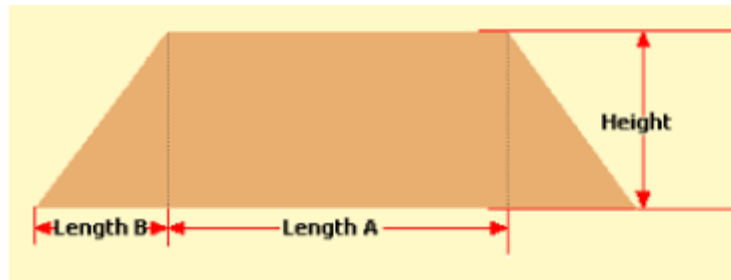
The Department should explore more sophisticated methods of determining aggregate levels when taking physical inventory. Stockpile measurements can be taken via lasers then the volume can be calculated. This calculation could be performed by one of the Parish's engineers. Additionally, service providers exist who will take a drone-based aerial shot of the pile and calculate the volume. The following websites contain examples:

<http://www.lasertech.com/Stockpile-Volumes.aspx> and <https://www.stockpilereports.com>

Per conversations with Mr. Zeringue and team members during on-site visits, when delivery of purchased aggregate occurs, the Department reviews the load ticket to verify that the quantity delivered agrees to the amount ordered. The load ticket contains the volume of aggregate being delivered as per a certified scale.

Aggregate removed for use by the various departments is estimated by the size of the truck loaded, then estimated when any leftover aggregate is returned. However, aggregate is rarely returned since most will be contaminated with other aggregate and directed to a miscellaneous aggregate pile. See Attachment F for more details.

As of June 2018, the aggregate was estimated based upon a visual inspection of the pile. According to the Warehouse Superintendent, Jerry Zeringue, as of this report's timing, the Department is attempting to have the aggregate piles conform to the configuration as shown on the following page. Length, width, and height measurements of the pile are taken in feet. The values are then multiplied together to calculate the Cubic Feet of the pile, which is then converted to Cubic Yards and Tons as necessary.



Using the formula – Length B in feet X Length A in feet X Height in feet = Cubic Feet.

Cubic Feet divided by 27 = Cubic Yards.

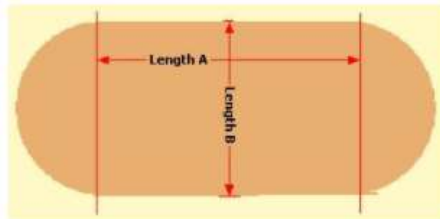
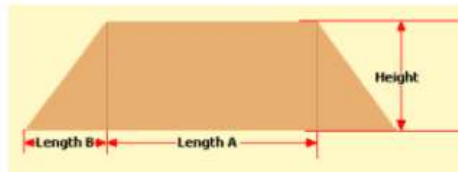
To determine tons multiple by 1.5

Internal Audit found two (2) standard methodologies to calculate the volume of a pile.

- 1) Spike VM, a website hosted by an individual with over forty (40) years of residential, light commercial, and institutional construction, uses the measurements as illustrated above, which include a component known as the “volume of the cone,” along with a second component known as “the volume of the center prism.” The results of the two calculations are added together to result in an estimated volume of a pile.

Calculate the Volume of a Pile in Cubic Yards

Estimate the volume of an excavated pile of material in cubic yards.



If you look at the second image, the footprint, length A is not the overall length.

If you subtract that from the total length and add both ends, you end up with a cone that has a diameter that is equal to length B.

The image above and on the following page was clipped from the Spike VM website at:

<https://www.spikevm.com/calculators/excavation/volume-pile-yards.php>.

The calculation is done in two parts.

The volume of the cone is calculated as:

$$V = 1/3 * \pi * R^2 * H$$

V = the volume in cubic feet

$$\pi = 3.14159265$$

R = length B divided by 2

H = Height

The volume of the center prism:

$$0.5 * A * B * H$$

V = the volume in cubic feet

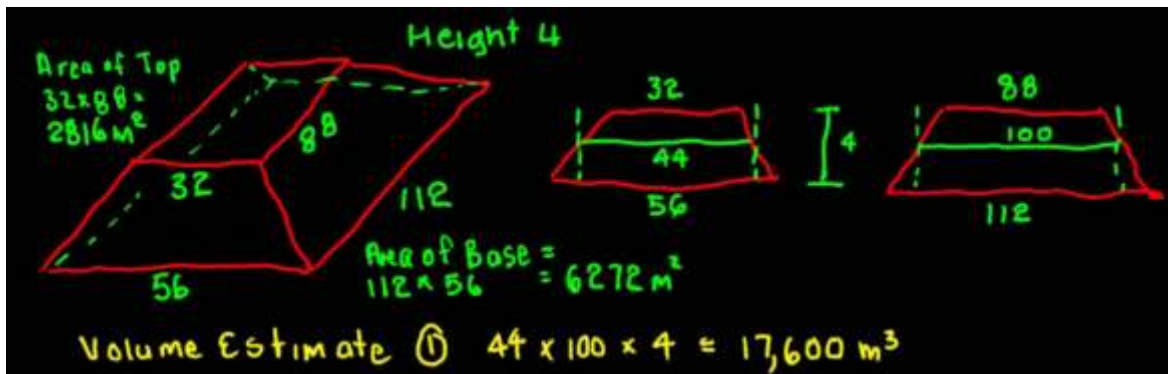
A = length A

B = length B

H = height

The two results are added together for a cubic foot value and converted to cubic yards by dividing the cubic feet by 27.

- 2) Public N Engineers, a blogger known for engineering knowledge and software, uses an average of the top and bottom measurements for Length A and Length B. (The Department of Engineering currently takes bottom measurements but not top measurements.) The averages, along with the height measurement, are multiplied together to calculate the volume. Below is an illustration from their website – www.publicnengineers.com Note that the numbers are expressed in meters.



A YouTube video also exists as of November 23, 2020, at

<https://www.youtube.com/watch?v=RBuuYxiohoY>

The Department of Engineering took inventory of aggregate at 1500 River Park Blvd on November 6, 2020. Internal Audit compared the calculated inventory amount with the two suggested calculations and noted differences in results. The table below summarizes the three (3) estimates.

Description	JP Calculation	Public N Engineers	Spike VM
River Sand	1,413 Cubic Yards	991 Cubic Yards	1,021 Cubic Yards
#610 Base Course	535 Tons	375 Tons	336 Tons
#57 Gray Limestone	1,777 Tons	1,246 Tons	1,059 Tons

Based on the calculations suggested by two different sources, the Jefferson Parish Department of Engineering (JPOE) values are overstated by forty-eight percent (48%). JPOE appears to be using a variation of the Spike VM calculation. (See Attachment E for full calculations.) This overstatement was discussed with Mr. Zeringue, who agreed and indicated that he would revise the formula to be consistent with Spike VM calculation.

RECOMMENDATION

When taking physical inventory of aggregate, the Department of Engineering should adopt the full calculation suggested by Spike VM, using both the volume of the center prism and the cone's volume. An automated online calculator exists as of this report's writing, which would assist with the calculations. <https://www.spikevm.com/calculators/excavation/volume-pile-yards.php> The Department agreed to the adoption during the course of this follow-up audit.

Other valid estimates could be used as well, such as the one suggested by Public N Engineers.



FINDING #6: OBSOLETE, NOT NEEDED, OR INFREQUENTLY USED ITEMS

CRITERIA

Inventory levels should be maintained at a level that allows the Parish to operate efficiently and effectively while being good stewards of parish funds.

FINDING

The Jefferson Parish warehouses and stockyards have a significant amount of items that are obsolete, not needed, or infrequently used.

OBSERVATIONS

The following recommendation was made via Internal Audit report 2018-004: Written policies and procedures should incorporate inventory management roles and responsibilities regarding inventory levels, along with management of obsolete, stale, or stockpiled items.

Current inventory levels need to be evaluated, and a determination made as to what items can be surplus or disposed of safely. Funds may be recouped if these items can be sold at auction.

The value of Inventory on Hand as of April 13, 2018, was \$9,189,270. This declined by just over \$814,000, or 9.5% to \$8,314,615 as of November 15, 2020. An aging of the inventory for the two periods is shown below.

Timeframe – Last Time Inventory Item was Issued/Used	April 13 2018 TOTAL	2018 Percent Of Total	Nov 15 2020 TOTAL	2020 Percent Of Total
Within last 6 months	\$4,854,540	53%	\$3,837,363	46%
> 6 months to 1 year	786,955	8%	1,489,229	18%
> 1 year to 2 years	806,153	9%	767,557	9%
> 2 years to 3 years	448,800	5%	361,151	5%
> 3 years to 4 years	240,541	3%	256,547	3%
> 4 years up to 20 years	2,052,281	22%	1,602,768	19%
TOTAL	\$9,189,270	100%	\$8,314,615	100%

17%

Nineteen percent (19%) or \$1.6 million of the current inventory has not been used in four (4) years or more. This volume compares to twenty-two percent (22%) as of April 2018. Another seventeen percent (17%) has not been used in one to four years as of November 2020 and April 2018. The aging of inventory has remained virtually unchanged. While the value of inventory on hand has decreased, the aging of current inventory levels as of November 2020 suggests the continued need for inventory to be evaluated and a determination made as to what items can be surplus or disposed of safely. Accordingly to Warehouse Superintendent Jerry Zeringue, as they surplus or otherwise dispose of existing older items, other items age; therefore, this effort will be a continuing process.

For informational purposes, summary listings of inventory items for November 2020 by location can be found in Attachment C.

Written policies and procedures that were drafted but not implemented (see Finding #1) include various policies addressing inventory levels, along with management of obsolete, stale, or stockpiled items.

#	Subject	Description
107	Creating a Material Order	replenish inventory in a timely manner
108	Product Stocking	Rotate older items to front
111	Transfer Stock Items	move inventory from one warehouse to another to better utilize
112	Surplus Asset	surplus obsolete or no longer used

Such policies, particularly 112 – Surplus Asset – appear to address the identification of items for surplus or obsolescence. Note that Internal Audit did not review or validate the policies and procedures since it was not an objective or focus of this audit.

RECOMMENDATION

A continued and increased emphasis needs to be placed on evaluating and determining what items can be surplus or disposed of safely. While holding items can provide quicker response time and decreased risk of shortages, a balance can be achieved to reduce cash flow need, reduce the risk of more inventory becoming obsolete, and minimize storage and administrative efforts to account for inventory.



New Public Works Warehouse located at 1500 River Park Boulevard, Bridge City. Placed in Service in July 23, 2018.

Inside view of the warehouse. Internal Audit noted well maintained, clean, and generally organized staging of inventory in all warehouses.



FINDING #7: INVENTORY MANAGEMENT CONTROLS

CRITERIA

Formal written policies and procedures (P&P) act as the standards for an organization's operations. Good written P&P are visible to and clearly understood by the entire department/entity. P&P should be established, followed, monitored, and reviewed.

FINDING

The Department of Public Works as a whole has not implemented policies and procedures on a department-wide basis, thusly does not have sufficient inventory management controls. Not all Public Works inventory is maintained by the Warehouse Superintendent.

OBSERVATIONS

The following finding was documented via Internal Audit report 2018-004: A Parishwide system needs to be put in place to properly account for all public works inventory items at all locations.

The Warehouse Superintendent and his team are responsible for ordering Public Works inventory items and fulfilling requests for items from various departments. When items are requested by Sewerage, Streets, Drainage, and Water, they are typically transferred to various locations as necessary by the requesting Department. Those same departments also order their supplies and either use or store them at one of the sites.

Aggregate is held at 1500 River Park Blvd, Bridge City, by Sewerage (right). The Department of Engineering does not maintain this. According to the Director of Sewerage, Mike Lockwood, the aggregate is "for collection system repairs and the installation of new house connections as a base for our piping." Sewerage does not take inventory of this aggregate.



Tracking all items at all locations is contingent upon modifying the current system (Oracle) or procuring a new inventory system. According to the Warehouse Superintendent, Jerry Zeringue, a new system's target date has not been determined.

Finding #7 from Internal Audit report 2018-004 has not been resolved and will be recommended again via this current report.

RECOMMENDATION

A Parishwide system needs to be put in place to properly account for public works inventory items at all locations.

FINDING #8: PHYSICAL SECURITY OF WAREHOUSES

CRITERIA

Safeguarding assets against theft, unauthorized use, acquisition, or disposal is a critical component of internal controls.

FINDING

None.

OBSERVATIONS

The following finding was documented via Internal Audit report 2018-004: Consult with Director of Security to determine how to appropriately and consistently secure areas where inventory is stored and proper locations for security cameras.

The quality of the cameras should be evaluated, along with the appropriate location and surveillance capabilities of the cameras. The cameras should be strategically placed in accordance with the size and layout of the building are outside area such that high traffic and unguarded areas are monitored.

Internal Audit received reports for each site location from the Department of Security. The reports had various dates throughout 2020 and assess security features in areas such as the buildings' physical layout, points of entry, lighting, alarms systems, monitoring, physical barriers, gates, access points, cameras, etc. Each report concludes with a section for recommendations by the Department of Security. Internal Audit encourages the respective Director at each Public Works facility to heed the Department of Security's advice and continue to actively work with them to ensure the facilities' safety and security.

RECOMMENDATION

None. This Finding #8 from Internal Audit report 2018-004 has been resolved.



SUMMARY

The Department of Engineering has good practices in place to track inventory; however, with continued focus, those practices can be made better. Written policies and procedures have been drafted but need to be approved and implemented. Other Public Works departments who hold inventory should be included in the implementation, providing a means to capture all versus most of the inventory levels.

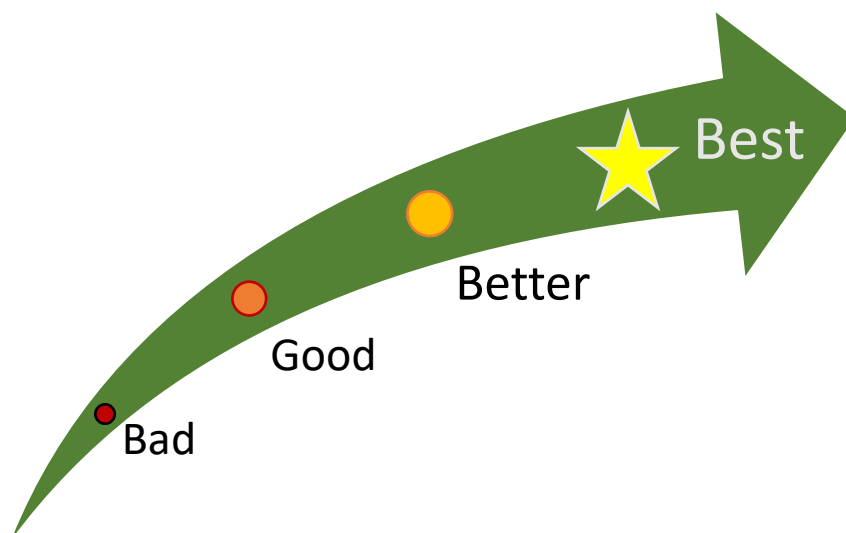
The software used to track inventory does not interface with the financial system, and significant manual processing is needed to capture details. Physical inventory is appropriately taken using a “blind” count to prevent biases; however, accuracy benchmarks should be set to provide goals for inventory counters.

Efforts have been made to increase the accuracy of capturing the volume of aggregate on hand. The methodology contemplated as of this report's timing was tailored to provide reasonable accuracy without incurring additional cost to the Parish.

A continued and concerted effort needs to occur within all Public Works departments to maintain inventory levels that allow the Parish to operate efficiently and effectively while being good stewards of Parish funds. Departments need to identify and dispose of items that are obsolete, not needed, or infrequently used. Additionally, ordering for overstocked items should be curtailed until such time that inventory levels come in line with usage.







Given the volume and value of Public Works inventory, it is important for respective Departments to be proactive in working with the Department of Security to ensure the buildings and assets' safety and security. It is incumbent upon each Department to reach out to Security as necessary and heed their advice.



With continued focus, Public Works should be able to decrease manual processing and likelihood of errors, increase the accuracy of recordkeeping, and reduce inventory volume while still meeting Parish's citizens' needs.



Internal Audit would like to thank the Public Works Warehouse Superintendent, Mr. Jerry Zeringue, for his professionalism and responsiveness during this process, along with the various Jefferson Parish Directors and team members who contributed time and attention to this follow-up audit.

STATUS OF RECOMMENDATIONS FROM ORIGINAL AUDIT

#	Recommendations from 2018-004 (excerpts)	Unchanged	Revised	Resolved
1	Written P&P should be formalized and organized in a logical fashion and provides a clear understanding of what should be done, how it should be done, who should do it, and when it should be done. P&P should be tailored to represent the operations of each inventory storage area/warehouse and should document the entire process, including tasks necessary before, during, and after the physical count.			
2	The Parish should continue evaluating the need to implement an inventory software system that will interface with the Parish's Financial System to increase efficiencies in processes and increase the accuracy and validity of inventory data.			
3	Inventory should be taken using the "blind" count technique to ensure the accuracy of the data in the Oracle system.			
4	The Department should set goals for those who count inventory to achieve the 95% level of accuracy, as suggested by GAO. Other goals such as an accurate physical count of the inventory items versus the accuracy of the count agreeing to the records can be also be set.			
5	Aggregate that is purchased and delivered to the Parish needs to be verified as to quantity received. The Department should explore more sophisticated methods of determining aggregate levels when taking physical inventory.			
6	Written policies and procedures should incorporate inventory management roles and responsibilities regarding inventory levels, along with management of obsolete, stale, or stockpiled items. Current inventory levels need to be evaluated, and a determination made as to what items can be surplusd or disposed of safely. Funds may be recouped if these items can be sold at auction.			

#	Recommendations from 2018-004 (excerpts)	Unchanged	Revised	Resolved
7	A Parishwide system needs to be put in place to properly account for <u>all</u> public works inventory items at <u>all</u> locations.			
8	Consult with the Director of Security to determine how to appropriately and consistently secure areas where inventory is stored and proper locations for security cameras.			

****END REPORT****

ATTACHMENT A

INTERNAL AUDIT REPORT 2018-004: PUBLIC WORKS WAREHOUSES INVENTORY

Internal Audit Report #2018-004
Public Works Warehouses - Inventory
Draft Date: May 16, 2018
Final Date: June 26, 2018



Tara Hazelbaker, CPA
DIRECTOR OF INTERNAL AUDIT | JEFFERSON PARISH

OVERVIEW

BACKGROUND

Public Works consists of many departments such as Capital Projects, Drainage, Engineering, Environmental, Floodplain Management, Parkways, Sewerage, Streets, and Water. These departments oftentimes share common supplies, as such, they order items in bulk to store at various locations throughout the parish. The items are then issued to various departments as needed, including non-Public Works departments such as the Animal Shelter and Parks & Recreation.

The Department of Engineering has been designated to manage over 11,000 different inventory items for all Public Works and other departments. The value of which approximated \$9.2 million as of the timing of this report. The Oracle software system is used to track inventory data. The Warehouse Superintendent is responsible for receiving, issuing and transferring, and accounting for all inventory items located in the following locations.

East Bank Warehouse	4901 Jefferson Highway, Jefferson
West Bank Warehouse	6250 Lapalco Boulevard, Marrero
Streets Warehouse	5701 Belle Terre Road, Marrero
East Bank Pipe Stockroom	3600 Jefferson Highway, Jefferson
West Bank Plant Stockroom	4500 Westbank Expressway, Marrero

During this review, it became known that inventory is also stored at other locations not tracked by the Department of Engineering or any other Public Works department. (See Finding #7.) The following locations were also included in this review:

Bridge City Yards	1450/1561 River Park Boulevard, Bridge City
Shrewsbury Yard	200 Shrewsbury Road, Jefferson

OBJECTIVES

The following were the objectives of this review:

1. Ensure the accuracy and completeness of Public Works inventory records.
2. Ensure accountability for inventory records.
3. Confirm that inventory is properly safeguarded.

SCOPE

Current policies and procedures regarding the tracking of physical inventory from receipt of products to use of products were obtained, along with a listing of all inventory on hand at December 31, 2016, and 2017, including type of inventory, physical quantity, dollar value and associated general ledger account numbers. Select financial data was obtained from the AS/400 Financial Management System such as general ledger activity, contract payables listings, and journal entries. The U.S. General Accounting Office's (GAO) Executive Guide titled "Best Practices in Achieving Consistent, Accurate Physical Counts of Inventory and Related Property" was used as a reference in this review. The review covered the fiscal year 2016 and 2017, along with current day operations as of the timing of this report. This review includes only Public Works inventory stored at the above locations, not other inventory held by other departments.

FINDING #1

CRITERIA

Formal written policies and procedures (P&P) act as the standards for an organization's operations. Good written P&P are visible to and clearly understood by the entire department/entity. P&P should be established, followed, monitored and reviewed.

FINDING

Written policies and procedures are not comprehensive and organized in a logical fashion.

OBSERVATIONS

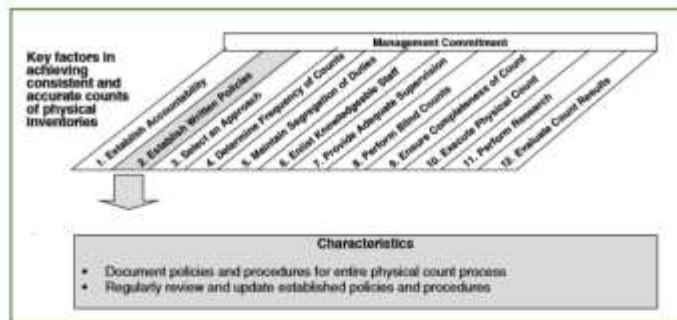
The current written P&P provided by the Warehouse Superintendent include two pages of procedures that were already in place and two more pages that were created as a result of the request for information regarding this review by the Department of Internal Audit. Additionally, a process mapping was created by Grainger, an industrial supply, and equipment provider, during the latter part of 2013 and into early 2014 which was affixed to a wall in a conference room at 4901 Jefferson Highway and appeared not to be in active use. Due to the size of the mapping, only an excerpt is included in this report. (See Attachment B.)

Each of the inventory storage areas/warehouses contain different items and are counted at different frequencies (weekly, monthly, quarterly). Some items lend to being physically counted like small tools, janitorial supplies, nuts and bolts, and other supplies while others like sand, gravel, and limestone are estimated by visual inspection.

SUGGESTION

Written P&P should be formalized and organized in a fashion that is logical and provides a clear understanding of what should be done, how it should be done, who should do it and when it should be done. P&P should be tailored to represent the operations of each inventory storage area/warehouse and should document the entire process, including tasks necessary before, during, and after the physical count. Such formalized, written P&P will establish controls that can deter theft and other losses, ensure that employees at each location are consistent in taking inventory counts, help to cross-train staff, and hold staff accountable for their actions. The P&P should be reviewed and updated regularly.

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*Credit to GAO-02-447G Best Practices in Inventory Counts. See Attachment A for full guide.

Refer to Attachment A, Page 25.17, for an example of a table of contents of Policies and Procedures identified as Best Practices by the GAO.

RESPONSE FROM JP DEPARTMENT OF PUBLIC WORKS

The Warehouse Division will review existing policies and procedures then revise the documents as follows:

1. Ensure that policies are standardized.
2. Ensure that procedures are comprehensive and specific to the tasks of each individual location.
3. Ensure that the documents are clear and easy to understand.

A Documentation Coordinator will be assigned from within the Engineering Department to develop and draft a policies and procedure manual for each warehouse location with input from warehouse supervisors working with their employees. The draft documents will be forwarded to the Warehouse Superintendent, the Director of Engineering and the Internal Auditor for review and comments. The goal is to have all policies and procedures in place by December 1, 2018; then all warehouse employees will be trained to properly follow the policies and procedures by the warehouse supervisors.

Finally, the Documentation Coordinator will perform an annual review of the policies and procedures for each location, obtaining input from warehouse supervisors working with their employees, then present proposed revisions to the Warehouse Superintendent for review and approval. Revised documents will be identified with the appropriate revision number and warehouse employees will be trained to follow the revised procedures.

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FINDING #2

CRITERIA

Accurate and reliable recordkeeping is vital and enables parish leaders to have confidence in financial data and inventory levels used in decision-making.

FINDING

Two different systems are used to track inventory and maintain parish financial data. The systems are not integrated which creates the need for manual input and increases the likelihood of errors and omissions of data.

OBSERVATIONS

The Oracle software system has been used since 1999 to track the details of inventory items maintained by the Department of Public Works. The AS/400 Financial System is used by the Department of Finance to maintain data for overall financial reporting. When physical inventory counts are taken and differences are noted, or when inventory is transferred between parish departments, a manual entry needs to be made into the AS/400 Financial System.

Additionally, the Oracle software provides notification when inventory items need to be ordered; however, the system does not calculate a lead time or a recommended order amount based on the history of usage.

According to the Warehouse Superintendent, Jerry Zeringue, the Department of Public Works has been communicating with the Department of Information Technology about the idea of implementing a new inventory system which will interface with the parish's AS/400 Financial System.

SUGGESTION

The parish should continue evaluating the need to implement an inventory software system that will interface with the parish's Financial System so as to increase efficiencies in processes and increase the accuracy and validity of inventory data.

RESPONSE FROM JP DEPARTMENT OF PUBLIC WORKS

The Warehouse Division will continue to work with Electronic Information Systems (EIS) to find compatible software that can track inventory electronically, provide order alerts based upon review time, lead time, usage, safety stock, and interface with current AS/400 Financial System. Suggested features of new software and possible updates for the current Oracle System from an inventory and warehousing perspective are being finalized and will be submitted to EIS. Information Systems has committed to Warehouse Supervision that we will be included in any discussions or demonstrations of new software to replace or upgrade the Oracle System. My understanding is that a tentative target date of late 2019 or early 2020 has been identified by EIS to install a new warehouse software system.

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FINDING #3

CRITERIA

Accurate and reliable recordkeeping is vital and enables parish leaders to have confidence in financial data and inventory levels used in decision-making.

FINDING

Physical inventory conducted by staff was not "blind." A "blind" count is a physical inventory taken by personnel who count the number of items on-hand without knowing the quantities in the system.

Reasons for the discrepancies noted on the count sheets were not indicated either on the count sheets or within the Oracle system.

OBSERVATIONS

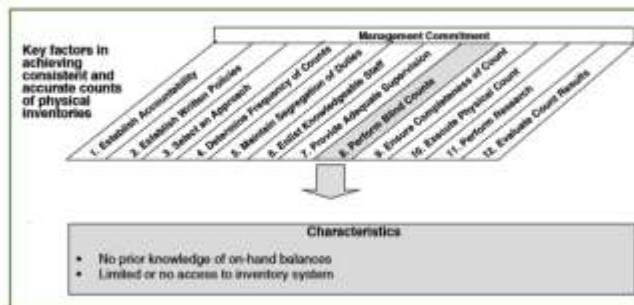
The Internal Control - Inventory Warehouse and Plants procedures located at Attachment B indicate that the "parish conducts a physical inventory for each location at the end of each year. Current inventory records are distributed by Warehouse Inventory Control to employees at each location. These reports indicate location, quantity on hand, and some cost information for each inventory section.... If the count does not agree with the amount on the inventory report, the employee includes the correct number, have the items recounted independently and conducts a further investigation if there is still a discrepancy."

Upon review of a sample of the count sheets used (Attachment C), the quantity of each inventory item was confirmed as being included on the sheets. This process lends to the staff member not actually counting the inventory but instead making an assumption that the number in the warehouse is the same as that listed on the count sheets.

There were not any notations of the reasons for the discrepancies indicated on the sheet nor was there a sign-off or indication of the staff member who took the physical inventory. Due to the lack of sign-off, Internal Audit was not able to assess whether or not there was adequate segregation of duties regarding the person who counts inventory is responsible for warehouse management and who is responsible for making inventory adjustments. If there is lack of segregation of duties between these functions then a risk exists for the staff to misappropriate and make adjustments in the inventory system so as to hide a theft.

According to the GAO Best Practices in Inventory Counts guide, "Blind counts offer the greatest degree of assurance of accurate and reliable counts."

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*Credit to GAO-02-447G Best Practices in Inventory Counts. See Attachment A for full guide.

SUGGESTION

Inventory should be taken using the "blind" count technique to ensure the accuracy of the data in the Oracle system. Reasons for discrepancies should be noted on the count sheets and/or in the Oracle system. Documentation should include who is taking the actual counts and who is making the adjustment in the Oracle system.

RESPONSE FROM JP DEPARTMENT OF PUBLIC WORKS

Electronic Information Systems has made the change to the count sheets (removed the on hand quantity) to ensure a "blind" count and has been implemented (see count sheet below 4th copy). Each counter's name or initial is to be noted on the count book and entered on the adjustment screen in the **COUNTED BY** field (see screen copy one below). The initials were not clearly noted on some count sheets, but were entered electronically on the adjustment screen. Supervisors will be advised to thoroughly explain proper count procedures to all employees prior to a count being performed. The Utility Inventory Supervisor is the only employee authorized to make an adjustment using the inventory program. The reason for the adjustment is to be entered in the **COMMENT** field (see screen copies below 2nd and 3rd) when recording the adjustment. These procedures will be reviewed, revised if necessary, and included in the manual developed by December 1, 2018.

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Screens below displays fields:



FINDING #4

CRITERIA

Accurate and reliable recordkeeping is paramount and enables parish leaders to have confidence in financial data and inventory levels used in decision-making.

FINDING

The overall inventory record accuracy rate for sample counts at three different locations were 50%, 83%, and 0%.

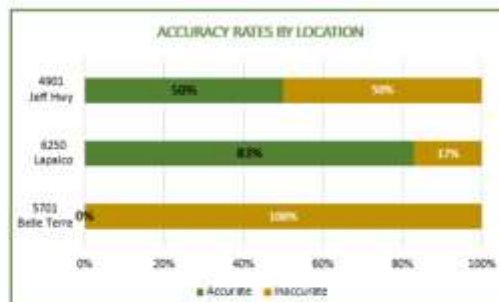
OBSERVATIONS

Internal Audit performed sample counts at three locations: 4901 Jefferson Highway, 6250 Lapalco Boulevard, and 5701 Belle Terre Road. Warehouse staff did not know which items were to be counted prior to the visit, and the counts were "blind" meaning the quantity per the Oracle system was unknown at the time of the count. Four different items were evaluated as part of the count.

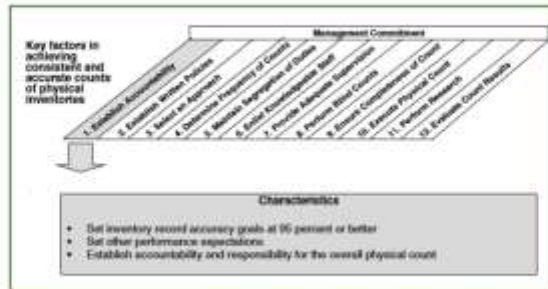
1. Quantity On Hand
2. Unit of Measure
3. Location of Item
4. Description of Item

If any of the above items was incorrect then the set of information for an individual item was considered inaccurate. The accuracy rate was calculated by using the following formula:

Number of Accurate Records *divided by* Total Number of Records equals Accuracy Rate



According to the GAO Best Practices in Inventory Counts guide, the inventory records accuracy goal should be set at 95 percent or higher. Setting high goals for inventory record accuracy rates is one way of establishing accountability for the physical inventory count. High goals "stretch" the organization and personnel to perform inventory counts with increasingly superior precision.



*Credit to GAO-02-447G Best Practices in Inventory Counts. See Attachment A for full guide.

Results of the samples are shown on the next pages. More details can be found at Attachment D.

Location: East Bank: 4901 Jefferson Highway							
Sample Size Counted by IA		8%	\$ 536,131				
Population Size per Oracle			\$ 6,858,329				
Accuracy Rate		50%					
Date of Count:		24-Apr-18					
Stock #	Actual	Oracle	Quantity Difference	Unit of Measure	Location of Item	Description of Item	Accurate?
00-0140070	4,300	4,144	156	Note A			No
00-014005A	1,500	3,014	(1,514)	Note A			No
00-0382190	1,124	1,130	(6)				No
00-0383320	15	15	-				Yes
00-0383330	10	10	-				Yes
00-0383180	20	22	(2)				No
00-0530400	5	5	-				Yes
00-0676030	12	12	-				Yes
00-0181400	5	5	-				Yes
00-0951340	9	10	(1)		Note B		No

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Location:		West Bank: 6250 Lapalco Boulevard					
Sample Size Counted by IA		5%	\$	108,725			
Population Size per Oracle			\$	2,138,640			
Accuracy Rate		83%					
Date of Count:		2-May-18					
Stock #	Actual	Oracle	Quantity Difference	Unit of Measure	Location of Item	Description of Item	Accurate?
00-0380820	595	595	-				Yes
00-0501000	544	569	(25)				No
00-0689000	4	4	-				Yes
00-0181510	54	54	-				Yes
00-0688990	5	5	-				Yes
00-068954J	4	4	-				Yes
00-0688200	14	14	-				Yes
00-0892400	4	4	-			Note C	No
00-0852120	16	16	-				Yes
00-0856560	25	25	-				Yes
00-0330720	3	3	-				Yes
00-0342210	2	2	-				Yes

Location: West Bank/Streets: 5701 Belle Terre Road							
Sample Size Counted by IA		20%	\$	39,386			
Population Size per Oracle			\$	192,301			
Accuracy Rate		0%					
Date of Count: 2-May-18							
Stock #	Actual	Oracle	Quantity Difference	Unit of Measure	Location of Item	Description of Item	Accurate?
00-014005A	5,700	727	4,973	Note A			No
00-0966070	1,335	1,385	(50)				No
00-058028E	-	1	(1)		Note B		No

Note A: Sand and limestone is ordered in tons and recorded in the Oracle system in tons; however, the products are issued and counted by the yard. The differences noted above are due in part to the conversion of the units of measure. Additionally, quantity on hand is estimated and not specifically measured. See Finding #5 for more details.

Note B: These items were not in the stockroom location and had been issued without an issue ticket created and the quantity on hand updated.

Note C: This stock item is described as a 15 horse-power shaft and there were four items in the stock number location. However, there were not four of the same item in that location. They were of various lengths and diameters. (See Attachment E.)

SUGGESTION

The department should set goals for those who count inventory to achieve the 95% level of accuracy as suggested by GAO. Other goals such as an accurate physical count of the inventory items versus the accuracy of the count agreeing to the records can be also be set.

RESPONSE FROM JP DEPARTMENT OF PUBLIC WORKS

The Warehouse Division will establish our current level of accuracy and use it as a benchmark to set a goal to achieve and track our progress accordingly. Required quantity calculations for items that cannot be counted but must be estimated, will be developed and be part of our procedures. Our challenges for a significant level of accuracy improvement deal with the fact that all issue tickets are handwritten, the receiving of material in many cases requires additional product knowledge, and there is rarely advanced notice or lists of material that is to be pulled from stock. Any new software tracking system should include bar coding which will help with inventory accuracy, in the meantime, we will attempt to identify and improve the processes that contribute to inventory discrepancies by recording the reason for incorrect balances. Developing detailed formalized procedures and training should result in improvement. In many cases, vendors offer training for handling their products. We will schedule these in-house training sessions during the year.

FINDING #5

CRITERIA

Accurate and reliable recordkeeping is paramount and enables parish leaders to have confidence in financial data and inventory levels used in decision-making.

FINDING

Sand, gravel, and limestone (aggregate) quantities are not verified when received, or measured when issued. Aggregate levels are not specifically measured, they are visually estimated when taking physical inventory.

OBSERVATIONS

The Department of Public Works uses aggregate for various projects throughout the parish. When aggregate is ordered and delivered to stockpile sites in the parish, the quantity received is not specifically measured. That is, the parish does not utilize scales to verify the quantity received; however, a delivery ticket with the quantity is obtained and the aggregate is visually inspected to verify amounts received.

During the course of projects, the departments are issued aggregate for use. Sometimes all the aggregate issued is used while sometimes aggregate needs to be returned. Issued and returned aggregate is also not specifically measured. For example, when aggregate is loaded the amount of aggregate in the bucket can vary depending on the amount lifted from the pile and the type of loader used.

When the inventory of aggregate is taken, quantity on hand is based on visual inspection and estimated as to the number of cubic yards on hand.

A report is generated showing a picture of the aggregate and amount estimated (shown below). Amounts in the Oracle System are updated.



Aggregate is not stored within retaining walls where levels can be gaged, quantities are not calculated by taking actual measurements of the dimensions of the stockpiles, or satellite imaging is not used to calculate the actual mass of the piles. According to an article published by Firmatek, an organization that specializes in stockpile measurements, there are three mistakes in stockpile inventory measurement:

1. Having a poorly defined base – survey methods that use a fixed elevation for the base of the stockpile, or that use a small amount of data around the perimeter of the pile will fail to provide accurate and/or reproducible results.
2. Having insufficient data on the top of the stockpile – from the ground, it is impossible to know what it looks like on top. Irregularities of the shape at the top can lead to an erroneous calculation.
3. Including extra material – sometimes material below the base level is included and adds to inaccurate calculations.

Not all aggregate kept in inventory by the parish is tracked. There are six locations where aggregate is stored. Physical inventory is taken for two of the six locations. See Finding #7 for more details.

SUGGESTION

Aggregate that is purchased and delivered to the parish needs to be verified as to quantity received. The Department of Public works should determine if purchasing a scale is cost-effective or determine a viable method of verification. Similarly, aggregate that is issued from and subsequently returned to inventory needs to be accurately measured as to quantity in order to maintain accurate inventory levels data.

The Department should explore more sophisticated methods of determining aggregate levels when taking physical inventory. Stockpile measurements can be taken via lasers then the volume can be calculated. This could possibly be performed by one of the parish's engineers. Additionally, service providers exist who will take a drone-based aerial shot of the pile and will calculate the volume. The following websites contain examples:

<http://www.lasertech.com/Stockpile-Volumes.aspx> and <https://www.stockpilereports.com>

RESPONSE FROM JP DEPARTMENT OF PUBLIC WORKS

A meeting will be held within the next six months with all Public Works Directors after an initial investigation is performed to determine current recording procedures at all the sites where stockpile materials, such as aggregate are delivered, stored and issued. A short-term solution for recording the issuance of material and measuring remaining quantities will be established by the end of 2018 by the PW Warehouse Division.

A long-term solution involving a more sophisticated process verifying delivered quantities and recording issued quantities will be determined along with identifying the funds necessary for recommended physical site improvements prior to the 2020 Budget submittals in 2019.

Implementation of a long-term solution will be scheduled for 2020.

FINDING #6

CRITERIA

Inventory levels should be maintained at a level that allows the parish to operate efficiently and effectively while being good stewards of parish funds.

FINDING

The Jefferson Parish warehouses and stockyards have a significant amount of items that are obsolete, not needed, or infrequently used.

OBSERVATIONS

Per inventory records from the Oracle system, the total inventory on hand as of April 13, 2018, was \$9,189,270. Internal Audit obtained data indicating the last time each inventory item was used. Usage dates for all locations ranged from January 1, 1999, to April 13, 2018. The oldest items on hand are twenty (20) years old. ^ (See Attachment H for details.) Fifty-three percent (53%) of the inventory has been used within the last six months, while the remaining forty-seven percent (47%) has not been used for more than six months.

Inventory that has not been used in six months or more may indicate that the parish is spending more money than necessary for inventory that is not needed. Additionally, items that are not used oftentimes become obsolete and take up valuable space to store. As an example of obsolete items, paint cans stored at 4901 Jefferson Highway appeared to be rusted or



corroded. Once the paint cans were moved, the handles broke and paint flowed down the side. Other items in the warehouse appeared to be damaged or in poor condition based on a visual inspection.

PAINT, PURE WHITE
Last Used: Dec. 27, 2016
East Bank Value: \$1,394



SLEEVE TAPPING
Last Used: Aug. 17, 1999
East Bank Value: \$2,171



BOX, METER, CAST IRON
Last Used: Jan. 17, 2017
East Bank Value: \$13,778



^ There is one item on hand that is 35 years old but it is of insignificant value.

A further breakdown of inventory usage and an aging by location is shown below.



Aging of inventory item usage by location

Timeframe – Last Time Inventory Item was Issued/Used	East Bank	West Bank	Streets Warehouse	TOTAL	Percent of Total Inventory
Within last 6 months	\$3,728,390	\$1,000,187	\$ 125,963	\$4,854,540	53%
> 6 months to 1 year	585,046	177,337	24,572	786,955	8%
> 1 year to 2 years	614,711	182,856	8,586	806,153	9%
> 2 years to 3 years	335,396	108,407	4,997	448,800	5%
> 3 years to 4 years	158,819	77,656	4,065	240,541	3%
> 4 years up to 20 years	1,435,966	592,196	24,119	2,052,281	22%
TOTAL	\$6,858,329	\$2,138,640	\$ 192,301	\$9,189,270	100%

Twenty-two percent (22%) of the total inventory, or \$2,052,281, has not been used in four (4) years or more, with approximately seventy percent (70%) of those items located at the 4901 Jefferson Highway location. Another seventeen percent (17%) of total inventory, or \$1,495,494, has not been used in one to four years.

In discussions with the Warehouse Superintendent, there are plans to surplus or otherwise remove some of the obsolete items and other items that are not needed. However, current data indicates that such plans need to be accelerated into action.

While there should be a consideration to stocking items in case of emergency situations, this data suggests that the parish has inventory items on hand that are obsolete (at the end of its life cycle and has not been used), stale (not needed), or otherwise stockpiled (overstock). The parish could reduce the space needed to house inventory, reduce the time needed to manage and take physical inventory, and reduce cost outlay for carrying inventory items. A full listing of inventory items obtained as part of this review is on hand in Internal Audit.

SUGGESTION

Written policies and procedures should incorporate inventory management roles and responsibilities regarding inventory levels, along with management of obsolete, stale, or stockpiled items.

Current inventory levels need to be evaluated and a determination made as to what items can be surplus or disposed of safely. Funds may be recouped if these items can be sold at auction.

RESPONSE FROM JP DEPARTMENT OF PUBLIC WORKS

Inventory Control will be incorporated into the Policies and Procedures. In 2017, the Warehouse Division scrapped or sent to surplus property over \$ 80,000.00 of obsolete inventory and year to date 2018 is \$34,384.22 We will continue to accelerate this process understanding that the majority of inventory stocked is owned by the individual Public Works Departments and before items can be sent to surplus, a review by a superintendent from the appropriate Public Works Department must take place. It is at their discretion based on need that this material is removed from surplus. Many older items are maintained in stock based on the potential emergency need in the field at the request of Public Works Departments regardless of usage history. For example, older pump station motor parts continue to be stocked since these motors are in service and must be repaired immediately to prevent flooding during a significant rain event.

In an effort to reduce surplus, new items that are requested will be identified and appropriate Public Works Departments will be contacted when these materials have not been issued in one (1) year for disposition.

Stock is to be reviewed constantly and adjusted based on usage, but because of the service nature of the inventory, there is a tendency to order as much as one (1) year of inventory to account for lead times, spikes in usage, lack of communication, stock requests, hurricane season, review time, etc.

The current ordering process is being evaluated and efforts to make improvement are being made.

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FINDING #7

CRITERIA

Formal written policies and procedures (P&P) act as the standards for an organization's operations. Good written P&P are visible to and clearly understood by the entire department/entity. P&P should be established, followed, monitored and reviewed.

FINDING

The Department of Public Works as a whole has not implemented policies and procedures on a department-wide basis, thusly does not have sufficient inventory management controls. Not all Public Works inventory is maintained by the Warehouse Superintendent.

OBSERVATIONS

The Warehouse Superintendent and his team are responsible for ordering Public Works inventory items, and fulfilling requests for items from various departments. When items are requested by Sewerage, Streets, Drainage, and Water, they are typically transferred from 4901 Jefferson Highway or 6250 Lapalco for use as necessary by the requesting department. Those same departments also order their own supplies and either use or store them at one of the locations listed below.

East Bank Warehouse	4901 Jefferson Highway, Jefferson
West Bank Warehouse	6250 Lapalco Boulevard, Marrero
Streets Warehouse	5701 Belle Terre Road, Marrero
East Bank Pipe Stockroom	3600 Jefferson Highway, Jefferson
West Bank Plant Stockroom	4500 Westbank Expressway, Marrero
Bridge City Yards	1450/1561 River Park Boulevard, Bridge City
Shrewsbury Yard	200 Shrewsbury Road, Jefferson

Upon inquiry of the respective directors of those departments, inventory records are not maintained. That is to say, a list of the items and value of such items could not be produced. The Department of Engineering tracks inventory items valued at approximately \$9.2 million while Sewerage, Streets, Drainage, and Water do not track their inventory of a value that cannot be determined at this time.

Internal Audit utilized Google Maps and clipped a satellite view for each location listed above. Each location map was then color coded with yellow outlines indicating areas where inventory is tracked, and red outlines indicating where inventory is stored but not tracked. An example is shown on the next page. Full-sized maps along with a general description of items located in each area are located at Attachment F.

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Since the overall value of inventory that is not tracked cannot be determined at this time, Internal Audit focused on sand, gravel, and limestone (aggregate) as an example. The Warehouse Superintendent was asked to estimate aggregate stored at locations that he does not maintain as part of the inventory counts. Thirty-nine percent (39%) of total aggregate or \$126,699, was not tracked by the parish inventory management system as of May 14, 2018. See below for results. "Map Ref #" refers to the maps located at Attachment F.

Location / Description	Map Ref #	Tracked	Not Tracked	Total
4901 Jefferson Highway, Jefferson				
River Sand	6	42,444		42,444
Limestone #610 (red)	8	119,565		119,565
6250 Lapalco Boulevard, Marrero				
River Sand	2		1,112	1,112
Limestone #610	3		13,885	13,885
Limestone #57	3		15,932	15,932
5701 Belle Terre Road, Marrero				
River Sand	7	1,466		1,466
Limestone #610 (red)	7	28,880		28,880
Batture dirt	7	3,660		3,660
3600 Jefferson Highway, Jefferson				
River Sand	3		1,390	1,390
Limestone #610 (red)	3		4,760	4,760
4500 Westbank Expressway, Marrero	N/A			
1450/1561 River Park Boulevard, Bridge City				
River Sand	2		1,390	1,390
Limestone #610 (red)	1		9,918	9,918
Limestone #57	1		39,830	39,830
River Sand	3		695	695
Limestone #610 (red)	3		3,967	3,967
211 Arnoult Road, Jefferson				
River Sand	2		2,085	2,085
Limestone #610 (red)	2		31,736	31,736
TOTALS		\$ 196,015	\$ 126,699	\$ 322,714
PERCENT OF TOTAL		61%	39%	100%

These results may or may not be accurate since aggregate levels are estimated based on visual inspections of the stockpiles. (See Finding #5 for more details.)

Tracking all Public Works inventory increases transparency to the public, reduces the opportunity and likelihood of misappropriation, increases operational efficiencies, and increases the accuracy of financial reporting. The Department of Public Works as a whole has not implemented policies and procedures on a department-wide basis, thusly does not have sufficient inventory management controls.

SUGGESTION

A Parishwide system needs to be put in place to properly account for all public works inventory items at all locations.

RESPONSE FROM JP DEPARTMENT OF PUBLIC WORKS

The development of a Parish-wide system should be incorporated with the development of a new or modified inventory system which would also interface with a work order system deducting materials as they are used. EIS has projected implementation of a new or upgraded warehouse software inventory system by a target date of late 2019 or 2020 as stated in Finding # 2.

Prior to this implementation, the Warehouse Division will work with the individual Public Works Departments to develop policies and procedures to track all material ordered, stored and managed by the individual departments.

With regard to the individual Public Works Departments' current inventory management of supplies/equipment/material as detailed in Attachment "F," please be advised of the following:

Drainage Department - The department stockpiles concrete pipe (4901 Jefferson Hwy Ref #1, #2, #3; 1450 River Park Blvd Ref # 4) that is salvaged from in-house work or is donated from contractors working on capital projects. We do not store purchased concrete pipe. If we need to purchase concrete pipe for a project, we purchase the exact length needed and have it delivered to the project site. All the pipe we have stored is essentially free and is used where applicable for our in-house construction. There is no transaction process that documents the salvaging of pipe; however the Department maintains a count of what is physically in our yards, but no log of where it was salvaged from.

Our sand and limestone stockpiles (6520 Lapalco Blvd Ref #3; 1450 River Park Blvd Ref # 4) are based off of a standard order that is made at the beginning of each year. The order is added to whatever remains from the previous year. Material that is removed from the piles is tracked in our work order system, but there is no measurement taken of the amount in the stockpile at any given time as we do not have the exact starting amount.

Sewerage Department -

1) 4901 Jefferson Highway, Rheem Building (Ref #9): The Sewerage Department stock at this location is mostly old salvaged pumps, valves, piping, motors, etc. from old or rebuilt pumps. It is kept due to the nature of our business dealing with old infrastructure whereby parts may not be available today. If new parts or materials are needed, they are either checked out of the PW Warehouse or ordered thru Parish Purchasing Procedures so there would be an accurate inventory.

2) 1450 River Park Road – Sewerage Mechanic/Electric/Machine Shop – (Ref #3): The Sewerage Department stock at this location is mostly old salvaged pumps, valves, piping, motors, etc. from old or rebuilt pumps. It is kept due to the nature of our business, dealing with old infrastructure whereby parts may not be available today. If new parts or materials are needed at this location they are either checked out of the PW Warehouse or ordered thru Parish Purchasing Procedures so there would be an accurate inventory. In addition, at this location portable pumps and generators are stored. These are inventoried thru Fleet Management.

Streets Department - Streets Department has records of items ordered from the Engineering Warehouse and outside suppliers for Department use. The Maintenance Division Superintendents work with Streets Administrative staff to evaluate and re-order the tools, equipment and material needs on an on-going basis. They re-order when material stockpiles are low and when tools or equipment have reached the end of their useful life.

Water Department – The Department tracks the inventory of all of the treatment chemicals used on a daily basis by recording usage on spreadsheets, copies of which can be forwarded to the Internal Auditor upon request. The daily usage is then transferred monthly to a spreadsheet which can be reviewed to determine usage rates for purposes of managing treatment chemical inventory.

FINDING #8

CRITERIA

Safeguarding assets against theft, unauthorized use, acquisition, or disposal is a key component of internal controls.

FINDING

Physical security over inventory needs to be reviewed.

OBSERVATIONS

When visiting each of the seven locations, the overall areas were located within gated parcels. Conversations with employees indicated that gates do not always operate properly and are not always closed in the evenings. Thusly they do not consistently safeguard the area where inventory is stored.

Buildings were generally locked or attended by parish personnel. Some areas had security cameras throughout while others did not.

SUGGESTION

Consult with Director of Security to determine how to appropriately and consistently secure areas where inventory is stored, and proper locations for security cameras.

The quality of the cameras should be evaluated, along with appropriate location and surveillance capabilities of the cameras. The cameras should be strategically placed in accordance with the size and layout of the building are outside area such that high traffic and unguarded areas are monitored.

RESPONSE FROM JP DEPARTMENT OF PUBLIC WORKS

Public Works will consult with the Director of Security and evaluate the necessity of additional surveillance requirements for areas where material is stored that is currently not under surveillance.

Currently, the East Bank Warehouse at the Rheem building, 4901 Jefferson Highway has cameras in place for surveillance both inside and outside of the warehouse area. The new West Bank Warehouse at 1500 River Park, Bridge City, currently under construction with a scheduled operational date of mid-July 2018, will have surveillance cameras. A representative of the Security Department approved and participated in the design of the security system and a purchase order has been issued for the installation.

Once the additional areas for surveillance are identified and the necessary funds required are established and requested in the 2019 budget, pending the availability of funds, implementation should be completed in 2020.

SUMMARY

In summary, the review highlighted the need for formalized and comprehensive written policies and procedures that include all public works locations throughout the parish. There is an opportunity to increase efficiencies in accounting practices, along with accuracy and accountability in taking physical inventory counts.

Public Works should improve controls to ensure accuracy and completeness of inventory records, accountability for inventory transactions, and safeguarding of inventory. In addition, the department should promote and enforce parish-wide inventory management standards and continually improve processes using an inventory system that is integrated with the parish financial accounting system.

The Jefferson Parish warehouses and stock-yards have a significant amount of items that are obsolete, not needed, or infrequently used. As a first step, if the inventory items that have not been used in four or more years were removed then the value of inventory would be reduced by 22% or \$2,052,281. Funds may be recaptured if any of these items can be sold at auction.

The Department of Public Works should review and take appropriate actions as noted in Findings #1 through 8.

Internal audit would like to thank the directors within the Department of Public Works for their assistance and cooperation during this audit process. A special thank you is extended to Jerry Zeringue and his team for the time, assistance, and professionalism throughout the review process.

REPORT WRAP UP

Internal Audit obtained responses from the Department of Public Works which are noted in the "Response From..." sections of each Finding. Additionally, a response from the Parish Administration and Parish Attorney's Office can be found in Attachment 2, immediately following this report.

****END****

ATTACHMENT 1

AUDITOR INDEPENDENCE STATEMENT

According to Ordinance No. 25549 (April 4, 2018), Sec.2-162.2(a) and (d), the Director of Internal Audit "shall engage in audit activities and complete audits in an independent manner, free of any organizational or personal impairment. The Director shall attest in writing that all audit activity was concluded with independence, free from organizational or personal impairment."

Sec. 2-162.2- Independence and Objectivity; Professional Standards.

(a) The Department function must be independent to retain objectivity, and the Department's independence allows the Director to make assessments impartially and without bias while avoiding conflicts of interest. In furtherance of the operation of an independent and objective Department, the Department shall use the following standards in the completion of all audits and in the conduct of all activity:

- (1) The Standards and Code of Ethics produced by the Institute of Internal Auditors and published in the *Professional Practices Framework*;
- (2) The Standards and Principles produced by the Government Accountability Office and published in the *Government Auditing Standards*; and
- (3) the professional and ethical standards issued by the American Institute of Certified Public Accountants.

(d) The Director shall engage in audit activities and complete audits in an independent manner, free of any organizational or personal impairment. The Director shall attest in writing that all audit activity was concluded with independence, free from organizational or personal impairment. Any impairment to independence, organizational or personal, shall be reported in writing to the Council and copied to the Parish President and the Inspector General within seven (7) days of discovering the impairment, organizational or personal.

The following is the required attestation meant to comply with both professional standards and Jefferson Parish Ordinance No. 25549.

ATTESTATION:

Internal Audit Report #2018-004 was conducted with independence and free from organizational or personal impairment.

 Digitally signed by Tara Hazelbaker
DN: cn=Tara Hazelbaker, o.ou,
email=thazelbaker@jeffparish.net,
c=US
Date: 2018.06.25 10:18:23 -05'00'

"ATTACHMENT A" INCLUDES ONLY THE BODY OF REPORT 2018-004.

PLEASE REFER TO THE JEFFERSON PARISH WEBSITE FOR THE FULL REPORT.

[HTTPS://WWW.JEFFPARISH.NET/DEPARTMENTS/INTERNAL-AUDIT/AUDIT-REPORTS](https://www.jeffparish.net/departments/internal-audit/audit-reports)

SCROLL TO THE SECTION FOR 2018

CLICK ON 2018-004: PUBLIC WORKS WAREHOUSES- INVENTORY

ATTACHMENT B

INVENTORY STANDARD OPERATING PROCEDURES

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107	Creating a Material Order
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D.	Truck Requisition Book Issue Ticket
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Standard Operating Procedures
Effective Date May 1, 2019
Revision 0

**Public Works Warehouse
Standard Operating Procedure**

SUBJECT: Receiving of Material	S.O.P. Number 101		REV
	Prepared by: Warehouse Supervisor I	Date: 12/1/2018	0

Introduction: This document describes procedures to receive materials that will be stored in the warehouse or distributed to other Jefferson Parish Departments. The Oracle Warehouse Module is used to receive material into inventory.

Objective: To receive incoming material.

Responsibility: Shipping and Receiving Clerks and Warehouse Supervisors

Section 1: Receiving General

Shipper/receiver will;

- 1.1 Unload the shipment and inspect the condition of the shipment to ensure:
 - All products are clean on pallets.
 - No damaged cases or packages.
 - See Section 3 for on Receipt of damaged goods.
- 1.2 Check the driver waybill/delivery ticket to ensure the company state our division and location.
- 1.3 Count and identify the goods and compare quantity, name, and item numbers to the information stated on the shipping documents and company purchase order (PO), note and investigate any discrepancies.
- 1.4 Make the following notations on the delivery ticket if not present
 - Requisition Number
 - Purchase Order Number
 - Item Numbers
 - Quantity based on Unit of measure
- 1.5 Complete the "Receiving Log" with the following information:
(Receiving Log is found in Appendix)
 - Date
 - Requisition Number
 - Purchase Order Number
 - Vendor's Name
 - Item Number
 - Quantity
 - Description
 - Stock
 - If not for stock see Section 2
 - Place delivery tick in the receiving box on warehouse counter.

Note: Due to the low volume, the West Banks Streets Warehouse keeps a receiving file instead of log.

Section 2: Receiving Material Not for Stock

- 2.1 Identify the Department/Individual the shipment is for.
- 2.2 Contact the Department/Individual and advise them that a shipment is ready for pick up.
- 2.3 Identify the shipment with the Department/Individual's name
- 2.4 Record the shipment in the "Receiving Log" ensuring that the package ID (tracking #) is recorded.
(Receiving Log is found in Appendix)
- 2.5 Have the person picking up the shipment sign for the shipment in the stock column of the log.
- 2.6 Ensure that the deliver ticket is included with the shipment.
- 2.7 Ensure that the signature is legible.

Section 3: Receipt of Damaged Goods

On receipt of a damaged shipment the shipper/receiver will:

- 3.1 Take a photo of the damaged product and ensure the truck driver signs the shipping document as evidence.
- 3.2 Notify the Warehouse Supervisor.

On being notified of the damaged shipment the Warehouse Supervisor will.

- 3.3 Label the damaged product with all information: name, item #, quantity, purchase order and date.
- 3.4 Attach picture.
- 3.5 Place the damaged product in the "Hold for Disposition Area"
- 3.6 Contact supplier for a claim or inspection.
- 3.7 Once disposition is determined by the freight company or supplier follow those instructions.

Section 4: Receiving Material into Inventory

- 4.1 Receiving Clerk or Supervisor will retrieve the vendor packing slip.
- 4.2 Verify information on the packing slip.
- 4.3 In the Oracle Warehouse Module:
 - Click "Transactions"
 - Click "Receive", your employee number should appear on the top line.
 - Enter date material was received in the warehouse from the vendor packing slip.
 - Enter the requisition number from the vendor packing slip.
 - The items ordered will appear. Receive the amount received on the vendor packing slip.
 - If all material is received, receive all may be selected.
 - Exit when completed.
- 4.4 Forward original of packing slip to the Typist Clerk III

Approved by:		EFFECTIVE DATE
Superintendent: _____ Date: _____		May 1, 2019
Director: _____ Date: _____		
PW Director: _____ Date: _____		
		Page 2

**Public Works Warehouse
Standard Operating Procedure**

SUBJECT: Return Goods	S.O.P. Number 102		REV
	Prepared by: Warehouse Superintendent	Date: 10/10/18	0

Introduction: This document describes procedures to return materials that have been determined to be incorrect when receiving from the vendor or found in inventory (stock) to be incorrect.

Objective: To receive replacement, credit or other disposition of incorrect material.

Responsibility: Shipping and Receiving Clerks and Warehouse Supervisors

Section 1: Identification of Material

1.1 Once identified as incorrect items the clerk will:

- Tag the item as "Hold for Disposition".
- Notify a warehouse supervisor.
- Initial, write the date and supervisor's name on the tag.
- Attach copy of packing slip, noted the discrepancy.

1.2 Place the material in the "Hold for Disposition" section.

Section 2: Return Goods (If not Received).

- 2.1 Contact the vendor and advise of the incorrect shipment.
- 2.2 Arrange for the material to be picked up.
- 2.3 Advise the warehouse clerk(s) that the material will be picked up.
- 2.4 Supply the Warehouse Clerk with two (2) copies of the packing slip or shipping memo.
(Shipping Memo Form is found in Appendix)
- 2.5 Have the person picking up the shipment sign for the shipment and we retain the original.

Section 3: Return Goods (If already Received or found in Stock).

- 3.1 Contact the vendor request a return of the material.
- 3.2 If the items are not returnable or are subject to a restocking charge advise the Warehouse Superintendent.
A determination will be made as to keep the material or send it to surplus property.
- 3.3 If the material is being returned for credit the material must be adjusted out of stock.
- 3.4 The Warehouse Superintendent will adjust the material.
- 3.5 Follow the return procedures in Section 2.
- 3.6 Since a credit will be due for the material, send documentation to the Clerk Typist III for follow-up.
- 3.7 The Warehouse Supervisor should follow-up and confirm a credit has been received.
- 3.8 If replacement parts are they should be ordered.

Approved by:		EFFECTIVE DATE May 1, 2019
Superintendent: _____ Date: _____		
Director: _____ Date: _____		
PW Director: _____ Date: _____		Page 1

**Public Works Warehouse
Standard Operating Procedure**

SUBJECT:

Physical Inventory

S.O.P. Number 103

REV

Prepared by:

Date:

Utility Inventory
Supervisors

11/15/18

0

Introduction: This document describes procedures to count the inventory on hand at all three (3) Public Works Warehouses under the authority of the Engineering Department of Jefferson Parish..

Objective: To count all Inventory items a minimum of two (2) times per calendar year on the East Bank (EB1) and West Bank (WB1) Central Warehouses and a minimum of one (1) time per calendar year at the West bank Streets Warehouse (ST2).

Responsibility: Utility Inventory Supervisors and Utility Clerks

Section 1: General

- 1.1 Count books are created in the Oracle Warehouse Module.
(Count Book Sample is found in Appendix C)
- 1.2 Yearly (ST2 only), quarterly, monthly and weekly count books are created at the discretion of the Utility Inventory Supervisors.

Section 2: Counting

- 2.1 Selected Count Books are printed (count sheets) and assigned to clerk(s) for counting.
- 2.2 Counted quantities and the date counted are entered on the count sheets.
- 2.3 Counts are entered and all discrepancies (if found at that time) are re-counted.

Section 3: Updating the Count

- 3.1 Enter the date when counted
- 3.2 Enter the name of the person who counted the book (first name or initials are acceptable).
- 3.3 Enter all the counts under item count.
- 3.4 Click Update (you will see pending to adjust)
- 3.5 Click Print Book and review those off balance items to be rechecked. Make any necessary changes.

Section 4: Count Book Adjustments

- 4.1 Select book to adjust.
- 4.2 Make any corrections to count.
- 4.3 If any items are recounted, insert the date of the recount.
- 4.4 Click Adjust All, then OK.
- 4.5 Pending Variance Report will print showing an out of balance of zero.

Section 5: Final Reconciliation.

- 5.1 Select Options and click Report.
- 5.2 In Report Generation in Classification box click Inventory
- 5.3 Click Report, List appears, select Listing of all stock items with a count variances from selected Count Book
- 5.4 Click Run Report, enter count book number and click enter.
- 5.5 Print Final Reconciliations Report that appears.

Page 1

Section 6: Records of Count

- 6.1 The following documents are to be filed and/or bound for department records
- 6.1.1 Completed Count Book sheets from initial count.
 - 6.1.2 Printed, completed Count Book sheets.
 - 6.1.3 Pending Variance Report.
 - 6.1.4 Final Reconciliation Report

Approved by:			EFFECTIVE DATE May 1, 2019
Superintendent_____	Date:_____		
Director_____	Date_____		
PW Director_____	Date_____		
		Page 2	

**Public Works Warehouse
Standard Operating Procedure**

SUBJECT: Issuing Materials	S.O.P. Number 104		REV
	Prepared by: Warehouse Supervisor I	Date: 2/20/19	0

Introduction: This document describes procedures to issue materials stored in the warehouse and distributed to other Jefferson Parish Departments. The Oracle Warehouse Module is used to process the issuance of material.

Objective: To issue material from warehouse inventory to Public Works Departments and other Jefferson Parish Departments.

Responsibility: Shipping and Receiving Clerks and Warehouse Supervisors

Section 1: General

- 1.1 The "Truck Requisition Book" (Item # 95238) is used to issue all material from warehouse stock.
(Truck Requisition Book Issue Ticket is found in Appendix)
- 1.2 The "Truck Credit Book" (Item # 95259) is used for material being returned.
(Truck Credit Book Credit Ticket is found in Appendix)
- 1.3 Issue and Credit Books:
 - Each Parish employee requesting or returning material should have the proper book.
 - If necessary, books are available at the issue counter for clerks to use.
 - If a parish employee or authorized contractor requests a book, see your warehouse supervisor
 - Be sure to list the book item number on the first issue ticket in the book

Section 2: Issuing Material

Note: Some material is located at 3600 Jefferson Hwy (pipe yard) and 6250 Lapalco Blvd. (pipe yard). Clerks are to meet or accompany those requiring material at these locations before it can be issued.

Certain departments have special instructions for their employees, be aware of this.

- Items may or may not be listed on the ticket, if not listed you will have to list them.
 - Some department may list the items with instructions that they not be changed or amended.
 - General Services requires that a requisition accompanies the issue ticket.
 - When in doubt contact a supervisor.
- 2.1 Match the description on the issue ticket to the proper item number in the Warehouse Module and verify.
 - 2.2 Secure the necessary material handling equipment and proceed to fill the order.
 - 2.3 If an item is **not** in stock, check other warehouses for stock.
 - 2.4 Verify that all items are listed on the issue ticket.
 - 2.5 Material being **returned** must be:
 - Reusable (If not reusable mark ticket as "JUNK" or "NEW DEFECTIVE" and consult a supervisor to determine the proper disposition of the item)
 - Issued previously to that department. Check in the Warehouse Module for previous issue(s)
 - Identified as correct item.

Note: Consult your warehouse supervisor to determine the disposition items that don't meet these criteria.

2.6 Initial any changes

2.7 Enter all pertinent information on the issue/credit ticket.

- Today's date
- Truck number
- Cost Center
- Employee number
- Employee's signature (Received by)
- Your signature (storeroom clerk filling order)
- Material issued to. (circle proper department)
- If returning item to stock, indicate that on the credit ticket

2.8 Distribution of tickets.

- Always retain original (white) to be posted.
- Pink copy remains in book
- Yellow copy remains in book or given to requestor (if counter book is used) except:
 - East and West Bank Sewerage Lift Stations and Lines
 - East Bank and West Bank Water Outside Maintenance
 - East Bank and West Bank Utility Billing (Troubleshooters)
 - Contractors
 - Items on Loan

Section 3: Posting the Issue Ticket

3.1 In the Oracle Warehouse Module click "Transactions"

3.2 Then click "Issue", "Return" or "Transfer", depending on the transaction.

3.3 From the issue ticket, enter all information in the fields provided.

Note: If the message "**This vehicle number is not found**" appears after entering the vehicle number, **do not proceed, bring the issue ticket to a supervisor so that the vehicle number can be entered in Oracle System.**

3.4 Once all information is entered and verified click "Exit".

3.5 Stamp or write on the issue ticket, indicating it has been posted.

3.6 Place the ticket(s) in outbox.

Approved by:		EFFECTIVE DATE
Superintendent: _____ Date: _____		May 1, 2019
Director: _____ Date: _____		
PW Director: _____ Date: _____		
		Page 2

**Public Works Warehouse
Standard Operating Procedure**

SUBJECT: AS400 – Creating a Requisition	S.O.P. Number 105		REV
	Prepared by: Warehouse Superintendent	Date: 2/20/19	0

Introduction: This document describes the procedure to access Jefferson Parish Purchasing Policies and Procedures.

Objective: To properly create requisitions in the AS400 Financial Management System resulting in Purchase Orders for Public Works Warehouse requirements.

Responsibility: Warehouse Superintendent and Clerk Typist III

Section 1: General

- 1.1 Purchasing policies and procedures can be accessed on the Jefferson Parish **Employee Intranet Portal**:
- From **Department Pages**
 - Click "Procurement"
 - A screen will appear listing various procedures and policies
 - Click on title you wish to review

Approved by:		EFFECTIVE DATE May 1, 2019
Superintendent: _____ Date: _____		
Director: _____ Date: _____		
PW Director: _____ Date: _____		Page 1 of 1

**Public Works Warehouse
Standard Operating Procedure**

SUBJECT: Truck Inventory – Water Department	S.O.P. Number 106		REV
	Prepared by: Utility Inventory Supervisors	Date: 11/15/18	0

Introduction: This document describes procedures to count the inventory on hand in Water Department Trucks assigned to the Outside Maintenance and Utility Billing Sections.

Objective: To count all Inventory items a minimum of one (1) time per calendar year on the East Bank and West Bank of Jefferson Parish. Counts may be conducted more frequently if requested by the Department.

Responsibility: Utility Inventory Supervisors and Utility Clerks

Section 1: General

- 1.1 Excel spreadsheets are created for each truck listing the item numbers, quantities, descriptions, cost each, extended cost and totals for each truck.
(Sample Spreadsheet is found in Appendix)
- 1.2 Spreadsheets are updated based on issue tickets (Items removed from warehouse inventory) and Water department work orders (Material used in the field removed from trucks)
- 1.3 An updated detail report is sent to the Water Department monthly

Section 2: Counting

- 2.1 The Utility Supervisor will schedule the trucks to be count in the last quarter of the calendar year.
- 2.2 Trucks are emptied of material and counted listing the count on spreadsheets.
- 2.3 Counted quantities and date counted are entered on the spreadsheets in excel by truck number.

Section 3: Records of Count

- 3.1 Spreadsheet counts are filed.
- 3.2 Monthly reports by truck number are sent to the Water Department
- 3.3 The yearend inventory totals by truck and section are sent to the Warehouse Superintendent by email.
- 3.4 The yearend reports are also included in the inventory recap book for that year.

Approved by:			EFFECTIVE DATE May 1, 2019
Superintendent _____	Date _____		
Director _____	Date _____		
PW Director _____	Date _____		
			Page 1 of 1

**Public Works Warehouse
Standard Operating Procedure**

SUBJECT: Creating a Material Order	S.O.P. Number 107		REV
	Prepared by:	Date:	
	Warehouse Supervisor I	11/15/18	0

Introduction: This document describes procedures necessary to create a material order in all Public Work Warehouses, utilizing the Oracle Warehouse Module.

Objective: To replenish Public Works Warehouse inventory in a timely manner in order to have material available for distribution to Jefferson Parish Public Works and other Departments.

Responsibility: Warehouse Supervisors and Warehouse Superintendent.

Section 1: General

- 1.1 Material Orders are generated from Oracle main menu. Select "ORDERS" then "Order Flags"
(Sample Material Order is found in Appendix)
- 1.2 Items that have reached the "Reorder Point" will be listed on this report.
- 1.3 The "Order Point" is established using three (3) months of usage using an average per month of the last twelve (12) months or previous year's usage.
- 1.4 Order quantities should not exceed twelve (2) month's usage including lead time for stock items...
- 1.5 The "Order Flags" can be sorted and printed using various options using the "Sort" feature.

Section 2: Selecting Items to Order

- 2.1 Grouping by "Cost center" determine the following:
 - Item numbers to order.
 - Quantities to order.
 - Vendor or suggested vendor to buy from.
 - If order will be Contract, Bid, DEPO, CPO or GAB.
- 2.2 Verify in Oracle for correct information (description, costcenter, commodity code, account number, etc.).
- 2.3 Inquire in Oracle for usage at other locations to check for overstock. Items may be transferred from other Locations if an overstock exists or in some cases orders may be consolidated if items requires ordering.
- 2.4 Review usage of item and determine if "Order Point" is to be adjusted.

Section 3: Creating the Order

- 3.1 From the "Order Flags" report select "CREATE ORDER" and fill appropriate fields as follows:
 - Select warehouse location for delivery.
 - Select order department (based on costcenter).
 - Select vendor.
 - Enter nine (9) digit item number
 - Price/cost will default to last cost in item. If contract item or quote that price must be entered.
 - Enter quantity to order.

- 3.2 Enter notes: On contracts, some items are priced and sold in different units of measure than are received or priced in the Oracle system. These details can be indicated in the notes along with the order type and any other special instructions.
- 3.3 Select "PLACE ORDER" and print.
- 3.4 Send to appropriate department for processing.

Approved by:			EFFECTIVE DATE May 1, 2019
Superintendent_____	Date: _____		
Director_____	Date _____		
PW Director_____	Date _____		
			Page 2 of 2

**Public Works Warehouse
Standard Operating Procedure**

SUBJECT:

Product Stocking

S.O.P. Number 108

REV

Prepared by:

ate:

Warehouse

2/22/19

Superintendent

0

Introduction: This document describes procedures to stock shelves and rotate product.

Objective: To properly identify, shelf and rotate product.

Responsibility: Warehouse Supervisors and Warehouse Shipping and Receiving Clerks.

Section 1: General

- 1.1 Each item must be identified with our stock number
- 1.2 Older products on the shelf shall be moved close to the front. This process is called "facing" or "facing out".
- 1.3 Shelf tags indicate where the product goes. Tags are aligned and centered under each product.

Section 2: Stocking Process

- 2.1 Most items have a specific storage place. Should an item not have an assigned location consult your Supervisor.
- 2.2 A storage location is to have a bin box, sign or shelf tag.
- 2.3 Items are generally in numerical order and should be kept that way whenever possible.
- 2.4 If designated area is full to capacity try to move items around to accommodate incoming items. If this is not possible shelf the items in an overstock area in this same manner.
- 2.5 Always move overstock to original area when space is available.

Section 3: Packaging

- 3.1 Material that is clearly marked by the manufacturer or supplier with the quantity need only to be marked. Marked with our stock number.
- 3.2 Material that is too small to be marked should be stored in a marked bin.
- 3.3 When stocking small items that are in large bundles, they should be put away in smaller packing in quantities of five, ten or twenty five and usually no more than fifty depending on the issue quantity and labeled with the item number.
- 3.4 Items that are received and issued by the foot, keep a running total on a tag as items are issued.

Approved by:

Superintendent _____

Date _____

Director _____

Date _____

PW Director _____

Date _____

EFFECTIVE DATE

May 1, 2019

Page 1 of 1

**Public Works Warehouse
Standard Operating Procedure**

SUBJECT: Floater Meters – Issues and Returns	S.O.P. Number 109		REV
	Prepared by: Utility Inventory Supervisor	Date: 2/27/19	0

Introduction: This document describes procedures related to the issuance and return of Floater Meters maintained at the Jefferson Parish Public Works Warehouses and authorized by the Jefferson Parish department of Water for the temporary use by contractors and other parish businesses...

Objective: To control the issuance of Floater Water Meters and inspect these meters upon their return to determine if additional charges are to be assessed due to missing parts or damage.

Responsibility: Shipping and Receiving Clerks, Warehouse Supervisors and the Utility Inventory Section.

Section 1: General

- 1.1 Floater Meters are stored at the East Bank and West Bank Warehouses only.
- 1.2 Floater Meters are unique to each bank because the fire hydrant configuration on each bank is different (fire hydrant connections on the west bank are different than on the east bank).
- 1.3 Customers requiring a meter must first obtain a permit from Code Enforcement.
- 1.4 Customers requiring a meter on the east bank must go to the Department of Water Utility Billing at 1221 Elmwood Park Blvd (Yenni Bldg.).
- 1.5 Customers requiring a meter on the west bank must go to the Department of Water Utility Billing at 4500 West Bank Expressway.
- 1.6 After receiving a receipt for the floater meter they can proceed to the appropriate warehouse.

Section 2: Issuing a Floater Meter

- 2.1 Obtain customer's receipt form the Department of Water from the customer to transfer information to Issue Ticket (Truck Requisition Book Issue Ticket is found in Appendix).
 - Obtain requested floater meter from the floater storage area.
 - Locate floater issue book (Truck Requisition Book Issue Ticket is found in Appendix).
 - Enter today's date on next issue ticket.
 - Company name on line that normally contains truck number (Must match name on receipt).
 - Sample Receipt can be found in Appendix.
 - Quantity is always one (1).
 - Description of meter, reading and serial number.
 - Service location.
 - Customer mailing address.
 - Phone number
 - Employee number is blank.
 - Customer signs ticket in space provided.
 - Warehouse clerk signs ticket in space provided.
 - Make copy of Department of Water customer receipt and attached to white copy of issue ticket.

2.2 Distribute copies as follows:

- Yellow copy to customer.
- White copy to Outbox (Inventory Section).
- Pink copy remains in issue book.

Section 3: Floater Meter Returns

- 3.1 Obtain the receipt from the customer (if the receipt is not available contact the inventory section with the Serial number and they will provide the needed information)>
- 3.2 Locate Floater credit (return) book.
- 3.3 Inspect floater meter being returned for damage or missing parts.
- 3.4 List missing or damaged parts by part number in body of credit ticket.
- 3.5 Follow the remainder of instructions in Section 2.
- 3.6 Floater meters that are found to defective in any way will be replaced upon the notification from Department of Water – Utility Billing.

Section 4: Processing Floater Meter Tickets :

- 4.1 Issue tickets are filed for reference (originals). A copy is sent to Utility Billing
- 4.2 Credit (Returns) tickets are filed for reference (original). A copy is sent to Utility Billing

Approved by:		EFFECTIVE DATE
Superintendent: _____ Date: _____		May 1, 2019
Director: _____ Date: _____		
PW Director: _____ Date: _____		
		Page 2 of 2

Public Works Warehouse Standard Operating Procedure			
SUBJECT:		S.O.P. Number 110	
Updating A Material Order		Prepared by: Warehouse Supervisor I	Date: 2/20/19
			REV 0
<p>Introduction: This document describes the procedure for updating a "Material Order" in the Oracle Warehouse Module</p> <p>Objective: To properly update "Material Orders" previously created by entering requisition numbers in the appropriate field after an approved Purchase Order is received from the purchasing department.</p> <p>Responsibility Warehouse Supervisors</p> <p>Section 1: General</p> <ol style="list-style-type: none"> 1.1 When a purchase order is received from purchasing it must be sent to the vendor, except for bid purchase orders which are sent directly to the vendor from the purchasing department. 1.2 It will be necessary requisition number on the purchase order into the requisition field on the material order. 1.3 This is necessary since the receipts in the Oracle system are based on the requisition number (although the Material Order number can be used). 1.4 From the Oracle main screen select "ORDERS" then "Materials". <p>Section 2: Updating the Material Order</p> <ol style="list-style-type: none"> 2.1 Match the purchase order/requisition to the material order and update as follows: <ul style="list-style-type: none"> • Item numbers, descriptions and unit of measure to match. • Quantity and price to match purchase order. • Enter the requisition number in the "Requisition No." field, prefixing the number with a letter designating the cost center (department) that is charged (ex: 60-0621273 becomes S60-0621273 for the Sewerage department). <ul style="list-style-type: none"> - A for Engineering (Administrative) 63810-3967 - D for Drainage 22320 - S for Sewerage 53000 - ST for Streets 22200 - W for Water 53010 - This is necessary because the same requisition can go to multiple vendors. 2.2 Select "Requisition" at the bottom of the screen and then the date on the purchase order and the vendor. 2.3 Select "Purchase" at the bottom of the screen and enter the purchase order date and vendor. 2.4 Skip 2.3 if entering contract purchase order since Oracle will not allow that entry. 2.5 Select "Print" and file copy for receiving personnel (optional). 			
Approved by:		EFFECTIVE DATE	
Superintendent: _____ Date: _____		May 1, 2019	
Director: _____ Date: _____			
PW Director: _____ Date: _____			
		Page 1 of 1	

**Public Works Warehouse
Standard Operating Procedure**

SUBJECT: Transfer Stock Items	S.O.P. Number 111		REV
	Prepared by: Warehouse Supervisor I	Date: 2/20/19	0

Introduction: This document describes procedures to transfer materials (stock items) from one public works warehouse to another. The Oracle Warehouse Module is used to process these transfers.

Objective: To move inventory from one public works warehouse location to another as needed for public works departments or to better utilize existing inventories.

Responsibility: Shipping and Receiving Clerks and Warehouse Supervisors

Section 1: General

- 1.1 A "Truck Requisition Book" (Item # 95238) is used to transfer all material from warehouse stock to another. (Truck Requisition Book Issue Ticket for is found in Appendix).
- 1.2 All transfer should be approved by a warehouse supervisor.
- 1.3 The item must exist in both locations in order to be transferred.
- 1.4 The material should be listed from the requesting warehouse with quantity, part number and description.

Section 2: Transfer Material

- 2.1 Match the description on the issue ticket to the proper item number in the Warehouse Module and verify.
- 2.2 Secure the necessary material handling equipment and proceed to fill the order.
- 2.3 Verify that all items are listed on the issue ticket.
- 2.4 Initial any changes.
- 2.5 Enter all pertinent information on the issue ticket.
 - Today's date
 - Truck number
 - Note "transfer" on top if ticket
 - Employee number
 - Employee's signature (Received by)
 - Your signature (storeroom clerk filling order)
 - Material issued to. (circle ENGINEERING)
- 2.6 Distribution of tickets.
 - Always retain original (white) to be posted.
 - Pink copy remains in book
 - Yellow copy to receiving warehouse.

Section 3: Posting the Transfer Ticket

- 3.1 In the Oracle Warehouse Module click "TRANSACTIONS"
- 3.2 Then click "Transfer", "Return" or "Transfer", depending on the transaction.
- 3.3 From the issue ticket, enter all information in the fields provided.
- 3.4 Once all information is entered and verified click "TRANSFER".
- 3.5 Stamp or write on the issue ticket, indicating it has been posted.
- 3.6 Place the ticket(s) in outbox.

Approved by:		EFFECTIVE DATE
Superintendent: _____ Date: _____		May 1, 2019
Director: _____ Date: _____		
PW Director: _____ Date: _____		
		Page 2 of 2

Public Works Warehouse Standard Operating Procedure		
SUBJECT:	S.O.P. Number 112	REV
Surplus Asset and Inventory Processing	Prepared by: Warehouse Superintendent	Date: 3/20/19 0

Introduction: This document describes the procedure for processing Jefferson Parish owned property to the Surplus Property Division of Jefferson Parish

Objective: To properly transfer Jefferson Public Works Warehouse owned property, which is obsolete and otherwise no longer used, to the Surplus Property Division of Jefferson Parish.

Responsibility Warehouse Supervisors and Superintendent

Section 1: General

- 1.1 Items that have been in inventory for more the five (5) years without any issues are eligible to be transferred to surplus property.
- 1.2 Materials are of two (2) types: tagged and untagged.
- 1.3 Tagged items are labeled with a number and bar code titled "PROPERTY OF JEFFERSON PARISH"
- 1.4 All other items are considered untagged.

Section 2: Processing Surplus Material

- 2.1 Determine the items eligible to be sent to surplus property:
 - Paint and other hazardous material cannot be sent.
 - Contact Environmental Affairs for disposition of these items.
 - Item that are deteriorated and otherwise unusable may be scrapped. Check with the warehouse superintendent for disposition.
 - Compile a list of suggested items by cost center (department).
 - Contact the appropriate department superintendent to view list or the items, if necessary
- 2.2 Once the list of items is finalized prepare an Equipment Transfer Voucher listing the items.
 - Create one (1) Equipment Transfer Voucher for **tagged** items and a separate voucher for **untagged** items, identifying each voucher as such.
(Equipment Transfer Voucher form is found in the Appendix)
 - Fill out the voucher with all information required, include the warehouse cost center (63810-3966) in the header.
 - Be sure to include any part numbers and serial numbers in the description.
 - Enter the quantity in the "QTY" column.
 - Enter the tag number for tagged items.
 - Enter the condition. Cost is not required.
- 2.3 Send the completed voucher to the Engineering Department's asset coordinator for processing (the items must be entered in the AIMS system before being sent to surplus property) and copy the warehouse superintendent in order for any inventory to be adjusted out of stock.

- 2.4 The asset coordinator will send you a confirming surplus voucher, make an additional copy.
 (A sample Surplus Voucher with a Transfer with Time Stamp is found in Appendix)
- 2.5 Contact surplus property for pickup/delivery instructions.
- 2.6 Upon pickup/delivery have a Surplus Proper Representative print and sign their name to both copies of the surplus voucher.
- 2.6 Give the original to surplus property and retain the copy for your records.

Approved by:		EFFECTIVE DATE
Superintendent: _____ Date: _____		May 1, 2019
Director: _____ Date: _____		
PW Director: _____ Date: _____		
		Page 2 of 2

Public Works Warehouse Standard Operating Procedure			
SUBJECT:	S.O.P. Number 113		REV
Material Account Transfers Report	Prepared by: Warehouse Superintendent	Date: 3/20/19	0

Introduction: This document describes the procedure for processing the monthly Material Transfers Report for the Jefferson Parish Public Works Warehouse and forwarding said report to the Jefferson Parish Accounting Department.

Objective: To properly document material (inventory) in the Public Works Warehouse assigned to an established cost center and issued to another cost center. Once received in the Accounting Department, that department will make the necessary adjustments to the affected cost center (General Ledger Account).

Responsibility Warehouse Superintendent

Section 1: General

- 1.1 The Warehouse Oracle Module "TRANSFER – ISSUE/RETURN BRIEF" used to compile this report.
- 1.2 The report should be transmitted to accounting no later than the 15th of every month in an excel spreadsheet format.
- 1.3 At the beginning of each calendar month ensure that all issue tickets have been posted (charged) for the previous month.

Section 2: Obtaining the "TRANSFER – ISSUE/RETURN BRIEF"

- 2.1 Contact GIS (Geographic Information Systems) and request the "TRANSFER – ISSUE/RETURN BRIEF" in an excel spreadsheet format for all warehouses.
- 2.2 You will receive four (4) reports titled:
 - "AcctTransferIssueReturnEB1..."
 - "AcctTransferIssueReturnST1..."
 - "AcctTransferIssueReturnST2..."
 - "AcctTransferIssueReturnWB1..."

Section 3: Preparing the Report

- 3.1 Create a new spreadsheet or modify one of the above as follows:

- Label sheet 1 (one) as "Material Transfers"
- Add sheet 2 (two) as "Warehouse Supplies"
- Make sure the header information is:

TRANS LOC	CREDIT COSTCENTER	CHARGE COSTCENTER	ACCOUNT	CHARGE TOTAL
--------------	-------------------	----------------------	---------	-----------------

- 3.2 "Material Transfers" will include all accounts with the exception of supply accounts as defined in 3.3
- 3.3 "Warehouse Supplies" are accounts: 4232.7, 7232.8 and 7237.1
- 3.4 Review the report and make the following changes:

A. Receiving Log

Date	Req. # / P.O.	Package Tracking #	Vendors Name	Item# or Recipient	Qty	Description	Stock/Signature
3/15/2019	A60-5012123	Delivery	Industrial Welding	45258	3	WRENCH 7/16" COMBO	Stock
3/15/2019	S60-6012521		Cimsco	96021	20	6" Gate Valves	Stock
3/16/2019	19-12624	6Z57498SE94832	Consolidated Pipe	Glenn Miller/SEW.	1	Gate Valve	X
3/16/2019	60-6563214		La. Office Supplies		12	Unibal Pens	Office Supplies
"	"		"	"	5	Copy Paper, Leeter	Office Supplies
"	"		"	"	1	Stapler	Office Supplies
3/16/2019	A60-656522	5ZZPF14543654TR	Grainger	54612	10	10" Screwdriver, Phillips	Stock
"	"	"	"	62541	9	Channel Locks	Stock
3/16/2019							Stock
"							Stock
"							Stock
3/18/2019							Stock
"	"	"	"	65201	5	Pick up Sticks	Stock
"	"	"	"	76524	100	Lincoln Logs	Stock
3/18/2019	19-20125	WFDWS84848SSS1	Acme supply	Pablo/IRS	2	Packages	X
3/18/2019	Transfer	Delivery	WB Warehouse	46619	50	Boonie Hats	Stock
3/19/2019	19-12365	Delivery	NAPA - Genuine Parts	Bruce/Fleet	1	Carton	X
3/19/2019	W60-132455	"	La Utilities	72652	5	Plug Valves 8"	Stock
3/19/2019	D60-652415	"	Core & Main	10012	10	Bends 8"	Stock
3/20/2019	W60-602012	FeEx Freight	Sensus	38521	200	3/4" Meters	Stock
"	"	"	Sensus	38698	500	1" Meters	Stock
"	"	"	Sensus	38645	100	2" Compound Meters	Stock
"	"	"	Sensus	38645	2	6" Meters	Stock
3/20/2019	S60-654522	Delivery	Bayou Fasteners	43654	200	Bolt, 5 1/2" Teflon	Stock
3/20/2019	"	"	"	43987	100	Nut, 3/4 -20, Hex	Stock
3/20/2019	"	"	"	43632	300	Capscrew, 10" Black Oxide	Stock

SAMPLE ONLY

B. Shipping Memo

SHIPPING MEMO

FROM: JEFFERSON PARISH PUBLIC WORKS
WAREHOUSE
1500 River Park Blvd.
BRIDGE CITY, LA. 70094

TO: _____

YOUR REFERENCE: _____

SHIP VIA _____

OUR REFERENCE: _____

DATE:

[illegible]

Received by: _____

Date _____

C. Count Book Sheet

04/02/19

Page 1

JEFFERSON PARISH
PUBLIC WORKS WAREHOUSE
COUNT BOOK CB19-28291
EASTBANK #1

15 Items

Count Book Description

EB1 W14- BATTERIES

Date/Time Activated

04/02/19 06:21:02

Activated By

OMAGEE

58806 - 58829

Stock No. - Description	Unit Price	Counted Quantity	Date Counted
00-0588070 LAMP, FLUORESCENT, 9 WATTS, RAYOVAC #F9W-1, GRAINGER #1WC85, FOR USE WITH RAYOVAC #SP8D SPOTLIGHT/LANTERN.	6.49 EACH		
00-0588090 SPOTLIGHT, LED, 12VOLT, 550/40 LUMENS MINIMUM, BATTERY OPERATED, STREAMLIGHT #44900, DORCY #41-4296, GRAINGER #23X775.	69.54 EACH		
00-0588100 LIGHT, HARD HAT, LED, PLASTIC, PELICAN #2745C, GRAINGER #49XK74	21.03 EACH		
00-0588110 BATTERY, ALKALINE, INDUSTRIAL, NINE VOLTS, EVEREADY ENERGIZER #EN22, PROCELL #PC1604BKD, GRAINGER #5LE24	0.87 EACH		
00-0588120 LANTERN, FLOATING, INDUSTRIAL, LED, 160 LUMENS, 40 HOURS MAX RUN TIME, FOR SIX VOLT SPRING BATTERY, ENERGIZER #5109LS, GRAINGER #4FZK4.	12.29 EACH		
00-0588130 BATTERY, ALKALINE, INDUSTRIAL, SIZE C, 1.5 VOLTS, DURACELL PROCELL #PC1400, GRAINGER #5LE22	0.40 EACH		
00-0588140 BATTERY, ALKALINE, INDUSTRIAL, SIZE D, 1.5 VOLTS, DURACELL PROCELL #PC1300, GRAINGER #5LE21	0.60 EACH		
00-0588150 BATTERY, ALKALINE, INDUSTRIAL, SIX VOLTS, SPRING TERMINALS, DURACELL #MN908, GRAINGER #5LE26	5.15 EACH		
00-0588160 LANTERN, HAND, HEAVY-DUTY STEEL BODY, KRYPTON BULB, RAYOVAC #301K OR EQUAL, MSC #89089890	19.95 EACH		
00-0588180 BATTERY, SIX (6) VOLT, SCREW TERMINALS, ALKALINE, INDUSTRIAL, RAYOVAC #918	7.00 EACH		
00-0588200 WEED CUTTER SERRATED #26	6.70 EACH		
00-0588220 BATTERY, ALKALINE, INDUSTRIAL, SIZE AA, 1.5 VOLTS, 24 PER PACK, DURACELL PROCELL #PC1500, GRAINGER #5LE23.	0.23 EACH		
00-0588250 BATTERY, ALKALINE, INDUSTRIAL, SIZE AAA, 1.5 VOLTS, 144 PER CASE, DURACELL PROCELL #PC2400, GRAINGER #5LE25, MSC #89350318	0.24 EACH		
00-0588260 LEVEL, TORPEDO, ALUMINUM, STANLEY #42-484	6.50 EACH		
00-0588290 FLASHLIGHT, INDUSTRIAL, FOR 2 D CELL BATTERIES, BRIGHT STAR #2117, GRAINGER #3JDH1	6.27 EACH		

WEED CUTTER

E. Truck Credit Book Ticket

CREDIT

TRUCK REQUISITION
DEPARTMENT OF PUBLIC WORKS
JEFFERSON PARISH, LA

B 8350 D

FOLLOWING MATERIAL
ORDERED FROM STOREROOM

20

FOR TRUCK NUMBER _____

[illegible]

RECEIVED BY

EMPLOYEE #

FOREMAN'S SIGNATURE

MATERIAL ISSUED TO:

STOREROOM CLERK FILLING ORDER

E/B WATER	W/B WATER	E/B STREET	W/B STREET	LIBRARY
E/B SEWERAGE	W/B SEWERAGE	PARKWAYS	ANIMAL SHELTER	OTHER
E/B DRAINAGE	W/B DRAINAGE	ENGINEERING	SCADA	
E/B PUMP STA.	W/B PUMP STA.	RECREATION	ENVIRONMENTAL	

NOTE: - NO ORDER WILL BE HONORED UNLESS SIGNED BY FOREMAN AND PURPOSE STATED.

FORM

-TRUCK

F. Truck Inventory Spreadsheet

Date: 3/31/2019

EAST BANK TROUBLESHOOTERS - 2019 INVENTORY REPORT:

VEHICLE #8526

Driver - Mary St. Pierre

ITEM #	DESCRIPTION	QTY	UNIT	ON HAND	AVG COST	TOTAL VALUE
38370	Iron 100 w/Integral Connectors, Antenna	14	W		\$70.00	\$980.00
38371	Iron 5ft. Cable w/ inline Connectors	14	W		\$10.00	\$140.00
38373	Iron 100W Through Lid Mount Kit	14	W		\$3.00	\$42.00
Total Dollar Value Working Inventory:						\$1,162.00
47904	28" Traffic Cone	2	T		\$17.50	\$35.00
58423	10" Vise Grip Pliers	1	T		\$9.31	\$9.31
58460	12" Flat Screwdriver	1	T		\$11.89	\$11.89
59010	Sharpshooter S/H Wood	1	T		\$49.05	\$49.05
59152	15" Crescent Wrench	2	T		\$40.85	\$81.70
59700	Wire Brush w/ Scraper	1	T		\$1.50	\$1.50
Total Dollar Value Tools Inventory:						\$188.45
47910C	Safety Vest, XL	1	P		\$3.70	\$3.70
Total Dollar Value Personal Gears Inventory:						\$3.70
\$VALUE GRAND TOTAL Working Inventory, Supplies, & Gear						
BREAKDOWN:						
Total Dollar Value Working Inventory:						\$1,162.00
Total Dollar Value Tools Inventory:						\$188.45
Total Dollar Value Personal Gears Inventory:						\$3.70
GRAND TOTAL Truck #8526						\$1,354.15

W
P
A
S

G. Material Order

REQUEST MEMO

MATERIAL ORDER for STOCK ITEMS

Processed By the WAREHOUSE

Material Order No.

MO19-1596626

REQUEST DATE: 03/29/19

Page 1 of 1

DELIVER TO: JEFFERSON PARISH
EASTBANK WAREHOUSE
4901 JEFFERSON HWY
JEFFERSON, LA. 70121
Phn: (504) 731-4648
Fax: (504) 731-4659

POSSIBLE VENDOR: INDUSTRIAL WELDING SUPPLY 28321
111 BURAS DRIVE
JIMMY.GIBBS@GASANDSUPPLY.COM
BELL CHASSE, LA. 70037
Phn: (504) 392-2400
Fax: (504) 392-1500

QTY.	UNIT	DESCRIPTION	PRICE
24	EACH	SK# 00-0199820, Charge Account# 63810-3967-7232.7 Contract# 55-00016955 #445.06.00016 BIT, DRILL, 7/32 IN, PRECISION #10014, LINE ITEM 0277	\$0.91
10	EACH	SK# 00-0591920, Charge Account# 63810-3967-7232.7 Contract# 55-00016955 #445.91.00024 WRENCH, PIPE, 12 IN, 2 IN MAX OPENING, FORGED STEEL JAW,, DOMESTIC, MEETS FED. SPEC. #GGG-W-00651D, PHOTO #J81240, RIGID #31015 LINE ITEM 0223	\$24.06
10	EACH	SK# 00-0600750, Charge Account# 63810-3967-7232.7 Contract# 55-00016955 #445.91.00024 SOCKET, SHORT, CHROME-PLATE INDUSTRIAL, 12 POINT, 1/2 IN DRIVE, MEETS FED. SPEC. #GGG-W-00651D, PHOTO #J81240, RIGID #31015 LINE ITEM 0223	\$8.16

ORDER NOTES:

TOTAL: **\$344.04**

Requested By: _____

Authorized By: _____

H. Receipt for Floater Meter

11:05:36

JEFFERSON PARISH DEPARTMENT OF WATER

CK

SERVICE LOCATION:		4937 VETERANS MEMORIAL BLVD					
APPLICANT NAME:		HARRY A WINTERS					
APPLICATION DATE	SERVICE REQUESTED	ACCOUNT NUMBER	UNIT	LOCAL PHONE	DRIVERS LIC# / LA ID CARD#		
11/16/18	11/16/2018	011323 254565	1	504-915-4412	007640211 LA DL		
METER SIZE	METER NUMBER	OWN/RENT	CLASS	ZIP CODE	MAILING ADDRESS (BLANK IF SERVICE LOCATION)		
3/4		O	C	700640616	PO BOX 640616		
METER DEPOSIT	INSTALLATION FEE	PLANT IN FEE	METER DEPOSIT TRANSFERRED FROM THIS ACCOUNT				
150.00	30.00						

The applicant agrees and binds to pay for the water service in accordance with the rules and regulations now in force or hereinafter established by the Jefferson Parish Council governing authority of Jefferson Parish Water Department and to conform to all rules and regulations set forth by the Department of Water. The applicant agrees to vacate the above named premises, and discontinues the service by notifying the Department of Water. The water service is the property of the Department of Water. It is further understood that in the event that the water bills are not paid or if the above rules and regulations are violated, the water supply may be cut off at proper notice. The water service may be cut off for the purpose of other emergencies. The right to enter the premises at a reasonable time, if required is hereby given to a responsible, bonded employee of the Water Department. Deposits secure the payment of bills due by the applicant and the safe return of all property belonging to the Water Department installed in said premises or elsewhere. Installation fees are not refundable and meter deposits are interest bearing. Falsification of any water service application information is a violation of law, and that water service may be discontinued without notice.

CUSTOMER COPY

3/4" FL

SAM

1. Equipment Transfer Voucher

JEFFERSON PARISH
EQUIPMENT TRANSFER VOUCHER

The following materials/equipment has been transferred:

FROM: _____

TO: _____

DATE: _____

	DESCRIPTION	QTY	PARISH TAG NUMBER	CONDITION	
1					
2					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					

Condition: Poor, Fair, Good, Excellent

RECEIVED BY _____

DATE _____

RECORDED IN EQUIPMENT RECORD BY _____

DATE _____

PROPERTY CONTROLLER _____

J. Surplus Voucher



**SURPLUS VOUCHER
UNTAGGED ASSET**

I certify that the below surplus information is correct to the best of my knowledge.

ORIGINATING DEPT NAME: PW ADMIN & WAREHOUSE - Administration

FUND/DEPT/SUB DEPT#: 63810-3966

HMCCEE

08-17-2018 12:01:58

Print Name - Originating Dept Director or Representative

Transfer Time Stamp

SURPLUS PROPERTY

Print Name - Surplus Property Representative

Receipt Date

QTY	ITEM DESCRIPTION	SERIAL #	CONDITION GOOD, FAIR, POOR, BROKEN
6	shopping carts		POOR
1	184 quantity - carriage bolt		GOOD
1	92 qty - carriage bolt		GOOD
1	malloy resister		GOOD
20	FUSE CLIP CLAMP		GOOD
4	RECEPTACLE COMBINATION		GOOD
5	WALL COMBINATION		GOOD
18	CONDUIT NIPPLE		GOOD
32	CONDUIT NIPPLE		GOOD
3	CONDUIT NIPPLE		GOOD
1	1500' ELECTRICAL WIRE		GOOD
1	900' CABLE COAXIAL		GOOD

Please call 736-8485 for pickup/delivery instructions.

Form Instructions: Keep one completed copy for your records and give original to Surplus Property.

ATTACHMENT C


SUMMARY OF INVENTORY ITEMS AT NOVEMBER 15, 2020


All Locations

LOCATION	(All)	
Year	Sum of Items	Count of Items
	21,351.28	42 *
1999	135,224.23	625
2000	36,300.93	101
2001	36,363.58	65
2002	29,830.46	44
2003	48,347.44	72
2004	109,841.78	98
2005	83,179.26	103
2006	38,360.64	90
2007	44,432.27	86
2008	62,413.79	92
2009	44,133.36	105
2010	80,205.89	165
2011	111,598.92	183
2012	106,967.66	193
2013	213,312.19	255
2014	139,074.52	250
2015	182,265.91	332
2016	195,095.10	440
2017	252,608.10	636
2018	557,165.40	890
2019	1,031,235.74	1,672
2020	4,755,306.15	5,727
Grand Total	8,314,614.60	12,266

* Items not dated are assumed to be older than 1999

East Bank, 4901 Jefferson Hwy

LOCATION EB1 

Year 	Sum of Items	Count of Items
	4,655.26	17 *
1999	121,029.62	568
2000	19,368.81	28
2001	28,069.55	48
2002	20,029.61	34
2003	34,393.77	56
2004	97,785.25	68
2005	76,847.18	78
2006	28,723.26	63
2007	34,958.00	57
2008	51,185.26	63
2009	26,616.67	63
2010	66,579.38	109
2011	62,144.98	103
2012	73,485.65	100
2013	157,463.76	131
2014	82,419.72	133
2015	125,782.38	176
2016	150,333.45	245
2017	170,037.70	332
2018	354,887.95	535
2019	794,189.66	1,001
2020	3,226,389.42	3,282
Grand Total	5,807,376.29	7,290

* Items not dated are assumed to be older than 1999


West Bank, 1500 River Park Blvd


LOCATION WB1

Year	Sum of Items	Count of Items
	16,293.40	18 *
1999	14,194.61	57
2000	16,932.12	73
2001	8,294.03	17
2002	9,800.85	10
2003	13,953.67	16
2004	11,040.04	28
2005	5,603.87	23
2006	9,637.38	27
2007	9,430.38	28
2008	11,228.53	29
2009	16,427.69	40
2010	7,368.41	53
2011	49,412.81	78
2012	33,221.00	91
2013	50,299.29	113
2014	48,565.95	107
2015	55,353.60	142
2016	43,476.91	184
2017	77,288.17	290
2018	193,846.57	328
2019	229,038.08	633
2020	1,405,927.95	2,249
Grand Total	2,336,635.31	4,634

* Items not dated are assumed to be older than 1999

Streets, 57001 Belle Terre Road

LOCATION ST2 

Year 	Sum of Items	Count of Items
	402.62	7 *
2004	1,016.49	2
2005	728.21	2
2007	43.89	1
2009	1,089.00	2
2010	6,258.10	3
2011	41.13	2
2012	261.01	2
2013	5,549.14	11
2014	8,088.85	10
2015	1,129.93	14
2016	1,284.74	11
2017	5,282.23	14
2018	8,430.88	27
2019	8,008.00	38
2020	122,988.78	196
Grand Total	170,603.00	342

* Items not dated are assumed to be older than 1999

Details of Items shown with NO date – assumed to be older than 1999

STOCK#	LOC	DESCRIPTION	QTY	COST	TOTAL
00-0967170	EB1	LAMP, AMBER, FOR ARROW BOARD, #4414-AX	24	8.54	204.96
00-0966660	EB1	FLOAT, BULLFLOAT, HANDICAP, 42 IN X 8 IN, GOLBLATT #16303	1	189.92	189.92
00-0966250	EB1	COVER, ROLLER, 9 IN, 1/2 IN NAP	72	1.55	111.60
00-0890580	EB1	MOTOR, 1/2 HP, NEMA 56C, 1725 RPM 3PH DAYTON #2N916	1	190.00	190.00
00-0878640	EB1	HANGER, FOR 1/2 IN EMT, WITH BOLT & NUT, APPLETON #H50WB, LINE 1640	8	0.40	3.20
00-0877550	EB1	ELBOW, CONDUIT, RIGID, 1-1/4 IN, 90 DEG	2	3.24	6.48
00-085971A	EB1	RELAY, OVERLOAD, 63 - 80A, SIEMENS 3UA5800-2U	3	64.00	192.00
00-067476B	EB1	SEAL, MECHANICAL, 2.750 IN, SINGLE, TYPE 21, TUNGSTEN VS. TUNGSTEN, REMOVABLE ROTARY FACE AND BELLOWS, FOR ALLIS CHALMERS PUMP	1	352.00	352.00
00-0669530	EB1	SUCTION PLATE WITH WEAR RING, YEOMAN PUMP PART #AM-106727-001-4, FOR PUMP MODEL #4310-12	1	2,056.00	2,056.00
00-0590840	EB1	GRIP, WIRE, SIZE 1/2 INCH, 36 INCHES LONG, FLEXIBLE DOUBLE WEAVE MESH, 400 WORKING STRENGTH, # 0.75-1.12	1	55.00	55.00
00-058800A	EB1	KEY, VALVE, 6 FOOT LONG, T-HANDLE, TO FIT 2 IN SQUARE NUT, OPEN END SOCKET, TRUMBULL 367-5020.	2	69.45	138.90
00-0531550	EB1	HOLDER, DRILL 5/8 & 11/16" D-4 & D-5 MUELLER #36998	1	207.11	207.11
00-0471240	EB1	LOCKNUT, BEARING, THREAD SIZE 4.716-12 IN, O.D. 6.125 IN, W24, SKF #AN-24	1	34.92	34.92
00-0451820	EB1	BEARING, FAFNIR #G1104KRR/COL	1	24.77	24.77
00-0412280	EB1	BOLT SS HEX HEAD NC 9/16" X 3 1/2"	168	0.95	159.60
00-0384260	EB1	RESTRAINER, FLANGE, 30 IN, FOR DUCTILE IRON PIPE, DUCTILE IRON (C40-45 HARDENED) SET SCREWS, WITH GASKET, DOMESTIC, EBAA E-Z FLANGE #1030	1	685.00	685.00
00-0380390	EB1	NUT, PACK JOINT, 2 IN, COMPLETE ASSEMBLY, FORD #NG-K4	6	7.30	43.80
00-0966610	ST2	FIRE ANT BAIT POWDER, 1 LB CONTAINER, 0.05 PERCENT DELTAMETHRIN, ZEP BRAND, LINE 1831A	12	6.54	78.48
00-0586160	ST2	WRENCH, COMBINATION, CHROME, 3/8 IN, LONG PATTERN, 12 POINT, PROTO #1212, ARMSTRONG #30-312. LINE ITEM 0091	2	5.72	11.44
00-0586130	ST2	WRENCH, COMBINATION, CHROME, INDUSTRIAL, 1/4 IN, LONG PATTERN, 12 POINT, DOMESTIC, MEETS FED. SPEC. #GGG-W-636E AND ANSI SPEC. #B107.6, PROTO #1208A	1	5.30	5.30
00-0584340	ST2	SCREWDRIVER, #2 PHILLIPS TIP, 4 IN LONG, MADE IN U.S.A., ALLOY STEEL ROUND SHANK, NON-SLIP HANDLE, INDUSTRIAL, CRESCENT #25024,, MSC #53420980, LINE 0466	5	7.68	38.40
00-0580650	ST2	BLADE, CHAINSAW, PRUNING 12 IN, 3/8 IN PITCH, .043 GAUGE, STIHL POWER PRUNNER #61PMN/44, LINE 0060	12	9.00	108.00
00-0490060	ST2	LINE WEED EATER, GATORLINE, .095 DIAMETER, SQUARE SHAPE, APPROXIMATELY 227 FT PER 1 LB DONUT, OREGON# 21-495 OR EQUAL	12	11.95	143.40
00-0012400	ST2	OIL, AIR TOOL, 1 QUART	2	8.80	17.60
00-0859630	WB1	RELAY, THERMAL OVERLOAD, SIZE 1, 3POLE, NEMA 1, A200 MOUNTING, MD #B, CUTLER-HAMMER #BA13A	1	99.00	99.00
00-0859370	WB1	RELAY, DP/DT, 10A, 120VAC, 60HZ, 1/6HP, STRUTHERS DUNN #A314XAX	2	16.92	33.84
00-0854550	WB1	MONITOR, PHASE AND VOLTAGE, 208-240 ADJUSTABLE, 240 VAC, DIVERSIFIED ELECTRONICS #SLA-230-ASA, LITTELFUSE 201A SERIES	2	72.10	144.20
00-0833500	WB1	ELEMENT, HEATER, CUTLER HAMMER #H2005B	2	11.49	22.98
00-0750200	WB1	ARM, DOUBLE, TERRY PKWY, WEST ESPLANDAE, WEST NAPOLEON, PCP36 CA BKH, PHILDELPHIA SERIES, TWO AT 180, CA, BLACK	10	731.00	7,310.00
00-0688400	WB1	PLATE, BACK, HYDROMATIC PUMP PART #2005-000-2, FOR MODEL #40MP	2	368.00	736.00
00-0675090	WB1	VOLUTE, GORMAN RUPP PUMP PART #46471-512, FOR MODEL #14C2B, MUST BE O.E.M.	1	2,417.30	2,417.30
00-062639A	WB1	VALVE, RESILIENT SEAT GATE, 10 IN, C515 DUCTILE IRON, MECH. JOINT X FLANGE, NRS, 2 IN OPER. NUT, EPOXY COATED, STAINLESS BOLTS & NUTS, DOMESTIC, NO ACCESSORIES.	1	1,250.00	1,250.00
00-062148A	WB1	VALVE, CHECK, 4 INCH, 12-7/8 INCH FACE TO FACE, FLANGED, GRAVITY OPERATED, IBBM, RUBBER DISC FACING, EPOXY COATED, STAINLESS STEEL BOLTS/NUTS, DOMESTIC, M & H BRAND OR EQUAL	1	975.00	975.00
00-0583200	WB1	DIE, PIPE, 3/8 IN NPT, FOR RIGID THREADER MODEL #12-R: ALSO 00-R, 111-R, 0-R, 30-A	4	41.00	164.00
00-0481570	WB1	LAMP, MERCURY VAPOR, 1000 WATT, MOGUL BASE, PHILLIPS #H36GW-1000/DX	6	35.77	214.62
00-0426410	WB1	KEYSTOCK, SQUARE, 3/4 INCH X 36 INCH LONG, #304 STAINLESS STEEL	1	23.90	23.90
00-0426160	WB1	KEY STOCK, 3/16 IN X 36 IN LONG EACH, SQUARE, GRADE 316 STAINLESS STEEL	1	36.10	36.10
00-030695B	WB1	VALVE, CHECK, TORCH, WELDING, FUEL, MODEL #CTF, VICTOR #0690-0033	1	6.90	6.90
00-030695A	WB1	VALVE, CHECK, TORCH, WELDING, OXYGEN, MODEL #CTO, VICTOR #0690-0032	1	6.90	6.90
00-0064270	WB1	BEND, 22-1/2 DEGREE, 6 IN, DUCTILE IRON, MECH JOINT, FUSION EPOXY COATED, NO ACCESSORIES, MUST HAVE AWWA, ASTM, OR ANSI APPROVAL AND WRITTEN PROOF OF ISO9001 CERTIFICATION, LINE ITEM 0680	2	57.33	114.66
00-0001070	WB1	BETA MAGIC-GRANULAR MALODOR SUPPRESSANT, 5 GALLON PAIL, BETA TECHNOLOGY BRAND, STATE CONTRACT #4400019200, MDM CATALOG REF. #1110562, PRODUCT CODE 1720-P	8	242.25	1,938.00
00-0001020	WB1	INSERT, 4 INCH, ODOR CONTROL MEDIA, FOR UNIT 1800 WAGER # -OCI-1800	4	200.00	800.00
			42		21,351.28

ATTACHMENT D

NOTES FROM OCT 19, 2020 MEETING WITH JP MIS

Page 1 of 4

Ordering

Material Order created (MO) - From Order Flags file MO is created and printed.

<u>Improvements:</u>	Run report by:	Vendor Cost Center Contract Part Number
	Display:	Monthly Usage Last Calendar Year Unit of Measure Description Cost Lead Time (avg.) Requested Date of Delivery

MO (Req.) is created in AS 400, Item # entered and description populates.

Ordering would be based on an order point and line point:

Order Point: Usage + Review Time + Lead Time

Line Point: " " " "+ Safety Stock (a % or multiplier of usage by month)

This can be calculated by the software and established in the OP/LP Field.

MO is entered in to the AS400 System by the Clerk Typist and a requisition (unique Number) is created (printed) and returned to the originator and the MO updated in the whse module with the requisition number. This req # serves as the item entered in order to receive material.

There are three (3) types of orders entered:

1. Bids (> \$1,000.00)
2. Contract
 - A. State
 - B. Parish
3. DEPO (Depart Purchase Order < \$1,000.00)

When the req has been assigned to a vendor a PO is created and forwarded to the Clerk Typist and then forwarded again to the originator (the Clerk keeps a copy of the PO for the Open order file).

The originator updates the MO in the warehouse Module

Receiving

Material is received in the warehouse, identified as to req and part number(s), checked for accuracy, qty circled, dated, etc. and the packing slip (dry) forwarded to the warehouse office for processing.

Items are received into the Warehouse Module (by the designated Supervisor) and forwarded to the Clerk Typist.

Improvements: Receipts are entered directly into AS400.
Received against PO created by Purchasing
Negative (-) receipt capability for corrections

Invoice Processing

The Clerk typist matches the P/S to the purchase order and files until the Invoice is received.

Once the Invoice is received, qty, prices, etc. are verified, the material is received in AS400 against the purchase order and the invoice forwarded for payment.

Improvements: Invoice is entered and compared to receipt (\$ and qty.) and out of balances are displayed

Related Reports

Flagged Item Report (Replenishment)
Open Order Report (Material on Order but not received)
Aged Material Report (Items with no usage 1, 2, 3, etc. years with no activity)
Overstock Report (Items with stock levels over the annual usage)
Commodity Code Search (Possible search field when setting up items)

Improvements: Reports can be downloaded into an excel Spreadsheet

Inventory and Truck Inventory:

Improve system to create less entry required and improved reporting and bar coding.

Count sheets currently have on hand quantities listed. This will be changed to "blind" count.

It is now down on spreadsheets and maintained outside of the warehouse system.

Improvement:

Devise a system that allows these truck inventories to be counted as is the warehouse Inventory. Trucks would be treated as warehouses and material would be issued from the truck to the work order. **Bar Coding.**

Adjustment made outside of the normal inventory cycle counts should be treated as a separate file with reason codes (D – defective, R – reclassified, S – surplus, RT – return to vendor, etc.) and reports run with totals of each reason code.

Report to show items that have not been counted in that count book series.

Item Master Maintenance (item # Set Up):

Ten (10) Position item number including dash (-). Ex: 00-0123450

Requires two hundred (200) character position description field (universal for all locations).

Thirteen (13) positions fields for:

Commodity Code: #180.00.00005

Contract Number: 55-00013498

Vendor and expiration date listed below

Unit of measure

Warehouse locations: With quantities shown, due in (on order), order point and vendor.

Usage by month and year in each warehouse.

Receipts with vendor quantity and cost.

Orders and detail

Warehouse detail displays:

Order Point

Max Stock Level

Due in

Last Cost

Order by: Order Point, request, discontinued or non-stock.

Account Number: Example: 7226.2

Cost Center: 53000-3851-119

Improvements:

Calculate lead times based on order entry and receipt date (last three)

Lead time displayed would be and average of the three (3).

Material Transfer Report:

Enter directly into Account G/L when issued.
Current report and process will be eliminated.

Inquiry and Search

Improvements:

Search by: First word of description (only those items appear)
Any word or part # (example 5X695) in description
First five (5) numbers of an item number
When item is selected changes can be made (controlled by Security).

Adjustment

No valid adjustment register or report. Normally would be run monthly.

Improvements:

Adjustment report (**OTHER THAN FROM INVENTORY COUNT**) run at any time and yearend.

On excel spreadsheet with:

Item number
Quantity (-) or (+)
Cost and extension
Cost center and account number
Reason code: AD – STOCK ADJUSTMENT
DA – DAMAGED GOODS
IN – result of inventory count
RC – reclassified item
RT – returned to vendor
SC – scrapped
SU – to surplus property
RT – returned to vendor

Etc.

END

ATTACHMENT E

AGGREGATE VOLUME CALCULATIONS – NOV 6, 2020, INVENTORY



**ITEM #00-0140000 –
RIVER SAND**
PHOTO TAKEN FROM FRONT
TOTAL QUANTITY: 1,413
CUBIC YARDS
MEASURED –
(53' x 45' x 16')
divided by 27

		JPDOE	PNE	Spike
MEASURE	FEET	#		
A	WIDTH	53		
B	DEPTH	45		
C	HEIGHT	16		
		38,160		
CUBIC FEET DIVIDED BY 27 = CUBIC YARDS		1,413	991	1,021
			70%	
TIMES 1.5 = TONS		2,120		

Cubic Yards

Length A	<input type="text" value="53"/>	ft
Length B	<input type="text" value="45"/>	ft
Height	<input type="text" value="16"/>	ft
<input type="button" value="Calculate"/> <input type="button" value="Reset"/>		
Results:		
Cubic Feet	<input type="text" value="27561.44"/>	ft³
Cubic Yard	<input type="text" value="1020.794"/>	yd³



**ITEM #00-014005A –
#610 BASE COURSE
AGGREGATE**

PHOTO TAKEN FROM FRONT

**TOTAL QUANTITY: 535
TON**

MEASURED - (**39'** x **19'** x **13'**)
divided by 27 x 1.5

		JPDOE	PNE	Spike
MEASURE	FEET	#		
A	WIDTH	39		
B	DEPTH	19		
C	HEIGHT	13		
		9,633		

CUBIC FEET DIVIDED BY 27 = CUBIC YARDS 357

TIMES 1.5 = TONS 535 375 336
70%

Volume of a Pile/ Cubic Yards

Length A	<input type="text" value="39"/>	ft
Length B	<input type="text" value="19"/>	ft
Height	<input type="text" value="13"/>	ft
<input type="button" value="Calculate"/> <input type="button" value="Reset"/>		
Results:		
Cubic Feet	<input type="text" value="6045.001"/>	ft³
Cubic Yard	<input type="text" value="223.889"/>	yd³

224

1.5

→ 336 Tons



**ITEM #00-0140070 –
#57 GRAY LIMESTONE**
PHOTO TAKEN FROM FRONT
TOTAL QUANTITY: 1,777

TON

MEASURED –
(82' x 30' x 13')
divided by 27 x 1.5

		JPDOE	PNE	Spike
MEASURE	FEET	#		
A	WIDTH	82		
B	DEPTH	30		
C	HEIGHT	13		
		31,980		

CUBIC FEET DIVIDED BY 27 = CUBIC YARDS 1,184

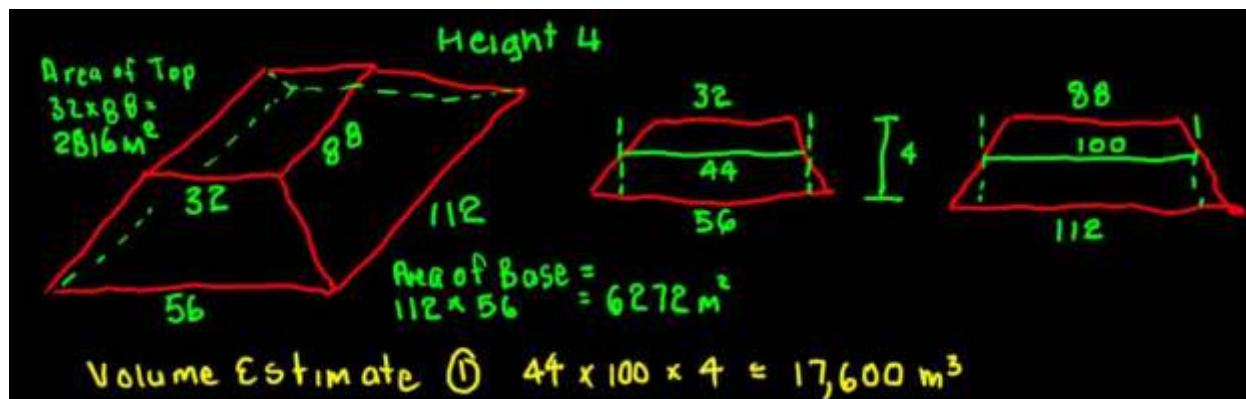
TIMES 1.5 = TONS 1,777 1,246 1,059
70%

Volume of a Pile/ Cubic Yards

Length A	<input type="text" value="82"/>	ft
Length B	<input type="text" value="30"/>	ft
Height	<input type="text" value="13"/>	ft
<input type="button" value="Calculate"/> <input type="button" value="Reset"/>		
Results:		
Cubic Feet	<input type="text" value="19052.74"/>	ft³
Cubic Yard	<input type="text" value="705.657"/>	yd³

706
1.5
1,059 Tons

Public N Engineers (PNE) methodology is set at 70% of JPDOE's methodology since JPDOE uses only base calculations, and PNE uses the average pile numbers for the width and depth. The estimate is illustrated below.



MEASURE	Meters	Average	Bottom	Top
A	WIDTH	100	112	88
B	DEPTH	44	56	32
C	HEIGHT	4	4	4
		17,600	25,088	
		70%		
		Audit 1	JPDOE	

<https://www.publicnengineers.com/p/about-us.html>

Spike VM calculations were taken from their website at -

<https://www.spikevm.com/calculators/excavation/volume-pile-yards.php>

ATTACHMENT F

AGGREGATE QUESTIONS AND ANSWERS

- ❖ How is aggregate that is purchased and delivered to the Parish verified as to quantity received?
 - Each truck is weighted before it leaves the vendor's yard, and that weight is recorded on the vendor's delivery ticket. Orders are delivered by multiple trucks with a delivery ticket for each truck numbered as to the consecutive delivery number 1 through _ depending on the number of trucks needed to complete the delivery. Yard personnel (Drainage, Streets) are responsible for keeping track of the number of trucks and material delivered. Delivery tickets are retained in the warehouse and tallied to determine the amount received so that they can be matched to the invoice received from the vendor. Even though 800 tons/yards may be ordered, the amount will not be exact but always under (vendor will not deliver a partial load. Ex: 790 yards/tons)
- ❖ How is aggregate that is issued from and subsequently returned to inventory measured as to quantity?
 - The PW employee visits the warehouse and presents their issue book to the warehouse personnel, who record the necessary information on the issue ticket (# of yards, stock #, etc.), proceed to the yard to have the truck loaded. Yard personnel loads the aggregate into the truck using a front end loader.
 - The full bucket being one (1) yard. The capacity of the truck (yards) being loaded may also be used in determining the amount issued. Returns are very rare since most will be contaminated with other aggregate and are directed to a pile of miscellaneous aggregate not accounted for. The amount of the return would be calculated by the same issue principle, and the employee directed to the warehouse for a credit to be issued.

Questions were posed by the Department of Internal Audit; Warehouse Superintendent Jerry Zeringue provided answers on November 20, 2020.

ATTACHMENT G

PUBLIC WORKS SITE MAPS



1450 / 1500 / 1561 River Park Blvd



Ref #	General Description of Items Stored at River Park Blvd	Department
1	Gravel (aggregate)	Water
2	Sand (aggregate)	Water
3	Pumps, valves, generators, and misc. equipment for repairs to lift stations. (Mechanical, electrical maintenance bldg.)	Sewerage
4	West Bank Yard (aggregate, pipe, etc.)	Drainage
5	Engineering Warehouse (6250 Lapalco items)	Engineering

200 Shrewsbury / 211 Arnoult



Ref #	General Description of Items Stored at Shrewsbury/Arnoult	Department
1	Concrete supplies, street signal signs, two narrow boards, three portable compressors, drainage supplies, and small barricades.	Streets
2	Batture dirt, 610 limestone, river sand, and two trash containers.	Streets
3	Floor mats, gray pavers, concrete supplies, three barricade racks, type-3 barricades, concrete ply boards, family gas materials, and drainage pipes.	Streets
4	Note: Parking area for heavy equipment, trucks, backhoe, trailers, two trash containers for truck #4606 and asphalt tack trailers. Also, area for waste tires, trash debris dump area, waste oil container, and sand bag machine.	Streets

3600 Jefferson Hwy



Ref #	General Description of Items Stored at 3600 Jefferson Hwy	Department
1	Pipe Yard	Engineering
2	Plant Stockroom (and workshop space for Water)	Water
3	Limestone and Sand	Water
4	Bulk Storage treatment chemicals	Water
5	Bulk Storage Chlorine	Water

6250 Lapalco Blvd



Ref #	General Description of Items Stored at 6250 Lapalco	Department
1	Items in building were relocated to 1500 River Park Roads. Items in the yard are as per Inventory Listing (no change).	Engineering
2	Sewerage Lines stockpile. Aggregate.	Sewerage
3	Stockpile. Aggregate.	Drainage

5701 Belle Terre Rd



Ref #	General Description of Items Stored at 5701 Belle Terre Rd	Department
1	Tools and equipment	Streets
2	Signs, barricades	Streets
3	Supplies	Streets
4	Items per Inventory Listing	Engineering
5	Various equipment/Drainage pipe/Asphalt tack tank/Junk tire container.	Streets
6	Items per Inventory Listing	Engineering
7	Limestone and Batture dirt, per Inventory Listing	Engineering

ATTACHMENT 1

AUDITOR INDEPENDENCE STATEMENT

According to Ordinance No. 26063 (September 16, 2020), Sec.2-162.2(a) and (d), the Director of Internal Audit “shall engage in internal audit activities and complete engagements in an independent manner, free of any organizational or personal impairment. The Director shall attest in writing that all activity was concluded with independence, free from organizational or personal impairment.”

Sec. 2-162.2. - Independence and objectivity; professional standards.

(a) The department function must be independent to retain objectivity, and the department's independence allows the director to make assessments impartially and without bias while avoiding conflicts of interest. In furtherance of the operation of an independent and objective department, the department shall use the following standards in the completion of all engagements and in the conduct of all activity:

- (1) The standards and code of ethics produced by the Institute of Internal Auditors and published in the *Professional Practices Framework*;
- (2) The standards and principles produced by the Government Accountability Office and published in the *Government Auditing Standards*; and
- (3) The professional and ethical standards issued by the American Institute of Certified Public Accountants.

(d) The director shall engage in internal audit activities and complete engagements in an independent manner, free of any organizational or personal impairment. The director shall attest in writing that all activity was concluded with independence, free from organizational or personal impairment. Any impairment to independence, organizational or personal, shall be reported in writing to the council and copied to the parish president and the inspector general within seven (7) business days of discovering the impairment, organizational or personal.

The following is the required attestation meant to comply with both professional standards and Jefferson Parish Ordinance No. 26063.

ATTESTATION:

Internal Audit Report #2020-007 was conducted with independence and free from organizational or personal impairment.



TARA HAZELBAKER, CPA, CIA
DIRECTOR OF INTERNAL AUDIT

ATTACHMENT #2

RESPONSE FROM PARISH ADMINISTRATION



JEFFERSON PARISH OFFICE OF THE PRESIDENT

CYNTHIA LEE SHENG
PARISH PRESIDENT

February 8, 2021

Via Electronic Mail

Tara Hazelbaker, Director
Internal Audit Department
Joseph S. Yenni Building
1221 Elmwood Park Blvd., Suite 306
Jefferson, LA 70123

RE: Internal Audit Report #2020-007
Follow Up: Public Works Warehouses – Inventory

Dear Ms. Hazelbaker:

In accordance with Sec. 2-162.5(b), Jefferson Parish Code of Ordinances, the Administration provides the following response to Internal Audit Report #2020-007: Follow Up: Public Works warehouses – Inventory ("Report"), received by the Administration on December 4, 2020.

The Report contains eight (8) "Findings" and "Recommendations" each of which is addressed below.

Finding: 1. Written policies and procedures have been drafted but not implemented.

Recommendation: 1. Written policies and procedures (P&P) should be implemented as planned. All affected employees should be trained so that P&P are appropriately followed. Employees should be monitored as to compliance with the P&P. The P&P should be periodically reviewed and revised, as necessary.

Response: The Engineering Director approved the Public Works Warehouse Standard Operating Procedures ("SOP"), effective January 1, 2021 (a copy of which is attached) and training has been completed. Training records are on file with the East Bank Warehouse Clerk Typist III and are available for review. Controlled copies of the SOP have been delivered to each warehouse location with a master copy maintained at the East Bank Warehouse (Rheem Building) by the Warehouse Superintendent. Warehouse Supervisors are responsible for preparing revisions for review and approval by the Warehouse Superintendent and shall be distributed to each warehouse upon approval of the Engineering Director. Warehouse Supervisors shall be responsible for employee training of any revisions.

Finding: 2. Two different systems are used to track inventory and maintain Parish financial data. The systems are not integrated, which creates the need for manual input and increases the likelihood of errors and data omissions.

Recommendation: 2. The Department should continue evaluating the need to implement an inventory software system that will interface with the Parish's Financial System to increase efficiencies in processes and increase the accuracy and validity of inventory data.

Response: The Warehouse Division has been working with the IT Department, and has met twice since October 2020, to find compatible software that can: (i) track inventory electronically; (ii) implement bar coding; (iii) provide order alerts based upon review time, lead time, usage and safety stock; and (iv) interface with the current AS/400 Financial System. The December meeting included a demonstration of AMMS – Microwest Software Systems. Initial review revealed that this software appears to have many of the elements necessary for inventory control and is currently utilized by the Drainage Department. This multi-departmental use could potentially lower cost. IT will coordinate with AMMS to further explore the details of the system and obtain access to sample software.

Finding: 3. Physical Inventory – Blind Count

Recommendation: 3. None. This Finding #3 from Internal Audit report 2018-004 has been resolved.

Finding: 4. A benchmark has not been set to establish a level of accuracy for physical inventory counts.

Recommendation: 4. The Department should set goals for those who count inventory to achieve the 95% level of accuracy, as suggested by GAO.

Response: The Warehouse Division has established a current level of accuracy as reflected in the table below and will use it as a benchmark to set goals to achieve and track our progress accordingly.

2020 Inventory Variance Report

Location	Qty. Activated (On Hand)	Total Variance	Per cent Accuracy
EB1	73,722.00	3,498	95%
WB1	67,539.00	6,738	90%
ST2	2,071.66	626	70%
Total	143,332.66	10,862	92%

Detailed 2020 Inventory Variance Reports for each warehouse are available upon request. Additionally, the following processes are in place that will improve inventory accuracy:

- The benchmarked accuracy contained in the Inventory Variance reports can be used to track improvement.
- Public Works has implemented the SOP and employees have completed training.
- Inventory is now counted on a quarterly basis.

Other factors which can be implemented in the long term to improve inventory accuracy include:

- Implementation of an inventory quality program such as ISO, Six Sigma, kaizen and Total Quality Management.
- Addition of technology (bar coding).
- Interface with supply chain partners.

Finding: 5. When taking physical inventory, aggregate levels are being calculated using a variation of a standard calculation. This calculation results in the overstatement of physical inventory.

Recommendation: 5. When taking physical inventory of aggregate, the Department of Engineering should adopt the full calculation suggested by Spike VM, using both the volume of the center prism and the cone's volume. An automated online calculator exists as of this report's writing, which would assist with the calculations. The Department agreed to the adoption during the course of this follow-up audit. Other valid estimates could be used as well, such as the one suggested by Public N Engineers.

Response: On December 1, 2020, Public Works conducted a full inventory of each type of Parish aggregate using the formula from the Spike VM website, the results of which are available upon request. Public Works will continue to use this method on a regular basis to track inventory.

Finding: 6. The Jefferson Parish warehouses and stockyards have a significant amount of items that are obsolete, not needed or infrequently used.

Recommendation: 6. A continued and increased emphasis needs to be placed on evaluating and determining what items can be surplus or disposed of safely. While holding items can provide quicker response time and decreased risk of shortages, a balance can be achieved to reduce cash flow need, reduce the risk of more inventory becoming obsolete, and minimize storage and administrative efforts to account for inventory.

Response: Standard Operating Procedure 112 *Surplus Asset and Inventory Processing* details the process for handling obsolete and surplus items. Vouchers will be submitted throughout the year and stock items will be reviewed for disposition in the first (1st) and third (3rd) quarter of each calendar year.

Finding: 7. The Department of Public Works as a whole has not implemented policies and procedures on a department-wide basis, thusly does not have sufficient inventory management controls. Not all Public Works inventory is maintained by the Warehouse Superintendent.

Recommendation: 7. A Parishwide system needs to be put in place to properly account for public works inventory items at all locations.

Response: The development of a Parish wide system should be incorporated with the development of a new or modified inventory system which would also interface with a work order system deducting materials as they are used. IT is seeking to identify an adequate inventory system to interface with the AS 400, or a new system that combines inventory and AS 400 functions. See Response to Finding #2 above for additional information.

Finding: 8. Physical security of warehouses

Recommendation 8. None. This Finding #8 from Internal Audit report 2018-004 has been resolved.

Thank you for your assistance, and for providing us an opportunity to respond.

If you have any questions, please contact me at your earliest convenience.

Sincerely,



Cynthia Lee Sheng
Parish President

cc: Honorable Ricky Templet, Councilman at Large, Div. A
Honorable Scott Walker, Councilman at Large, Div. B
Honorable Marion Edwards, Councilman, Dist. 1
Honorable Deano Bonano, Councilman, Dist. 2
Honorable Byron Lee, Councilman, Dist. 3
Honorable Dominick Impastato, Councilman, Dist. 4
Honorable Jennifer Van Vrancken, Councilwoman, Dist. 5

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