

WEST VIRGINIA DEPARTMENT OF TRANSPORTATION
ADMINISTRATIVE PROCEDURES
VOLUME V, CHAPTER 4

SUBJECT: INVENTORY
CHAPTER TITLE: USING AND TRANSFERRING INVENTORY

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I. INTRODUCTION

Effective: 12/1/2004

The term "usage," as applied to inventory, may mean either physically using up a consumable inventory item (and charging it out of inventory), or else charging it out of the organization's inventory system to a subordinate organization which does not keep like items in its own inventory system. In either case, when items are "used" they are no longer part of any inventory system within the Department of Transportation (DOT). Only items within the Parts, Materials, and Supplies (PMS) Inventory may be reported as a usage. Fixed Asset items are not "used," but may be transferred, as may PMS items.

Conversely, "transfer of" an item means moving it, physically and on record, from one organization's inventory to the inventory of another organization.

Accurate reporting of both of these kinds of transactions is essential to the orderly operation of individual organizations and to the DOT. Accurate records will aid managers, storekeepers, and comptrollers in determining what items to purchase at which time and what quantities of an item to order. Organization budgeting and accounting, also, will benefit from the proper reporting of usages and transfers.

II. INVENTORY USAGES & TRANSFER POLICIES

Effective: 12/1/2004

Usages are recorded and REMIS systems entries are made from three types of forms. The kind of form used and the data entry required to "usage" an item is dependent on the general category in which the item belongs. These broad categories and the related usage policies are explained in this section.

A. USAGE OF STOCKPILE ITEMS (CONSTRUCTION AND MAINTENANCE MATERIALS)

Materials used in the construction and maintenance of roads and bridges are stockpiled or stacked in the organization's yard. When these materials are removed from the yard to be used on a construction or maintenance project, they are charged out of the organization's inventory as a usage. These kinds of usages are reported on the Inventory Section of Form DOT-12, "Daily Work Report."

1. The person witnessing the loading of materials stocked by the ton (aggregates) must be careful to report a reasonably accurate estimate of the quantity of materials being charged out.
 - a. This may be determined by the capacity of the bucket used or by the capacity of the truck in which the material is loaded.
 - b. If there is any question, a known quantity of material should be loaded into the bucket or truck to determine the capacity of this equipment.
 - c. If this is not possible, Enforcement Division may be called to bring portable scales to determine the weight.
2. Although the "Inventory" section of Form DOT-12 is primarily used for stockpile materials, it may also be used for storeroom materials if the organization does not have a storekeeper.
3. Reporting usages on this form is the responsibility of Supervisors/Crew Leaders, so that each day's work effort (labor, equipment, and materials) may be recorded.

B. USAGE OF STOREROOM ITEMS (EQUIPMENT PARTS AND SUPPLIES)

Effective: 12/1/2004

Parts for vehicles and other machinery, office supplies and other consumable supplies, and hand tools (Class 26) are all usageed on Form DOT-6, "Inventory Usage or Transfer."

1. Although the DOT-6 is primarily used for storeroom items, it can also be used for stockpile materials.
2. Reporting usages on this form ensures control of storerooms by storekeepers.
3. The form may be completed by storekeepers or by authorized personnel as a request/order for storeroom items.

C. USAGE OF FUELS AND LUBRICANTS

Effective: 5/1/2007

Refer to Division of Highways Administrative Operating Procedures [Section V., Chapter 13, Gas and Lube Inventory.](#)

D. INSTRUCTIONS FOR FUEL PURCHASES POSTER

Refer to Division of Highways Administrative Operating Procedures [Section V., Chapter 13, Gas and Lube Inventory.](#)

E. TRANSFERS

Effective: 12/1/2004

Inventory may be transferred from one inventory site location to another within the same organization, or from one organization within DOT to another. Any kind of inventory, consumable or nonconsumable (fixed assets) may be transferred. Transfers of consumable inventory are restricted to receiving organizations that maintain an inventory for the item(s) being transferred.

1. Transfers are recorded on and REMIS system entries are made from Form DOT-6, "Inventory Usage or Transfer."
2. Transfers are not official unless a representative of the receiving organization signs and retains a copy of the completed Form DOT-6.
3. The REMIS inventory transfer transaction is a single entry, meaning that the transferring organization solely makes the computer system entries.
4. Before an organization purchases or requests to purchase a classified inventory item, REMIS "HWIQ," Inquiry, must be reviewed to identify other organizations that have the needed item in stock.
 - A transfer of the needed item should be executed if the transferring organization's management agrees and the needs of the receiving organization can be efficiently satisfied.

F. PORTABLE FUEL TANKS & TANK TRUCKS

Effective: 5/1/2007

Refer to Division of Highways Administrative Operating Procedures [Section V., Chapter 13, Gas and Lube Inventory.](#)

III. INVENTORY USAGE & TRANSFER PROCESSES

Effective: 12/1/2004

Whenever possible, responsibilities in the usage and transfer processes should be segregated. This provides the checks and balances necessary to keep inventories accurate and reliable. Accurate inventories provide statistics that will enable managers to operate organizations efficiently and effectively.

A. INVENTORY USAGES, FORM DOT-12 PROCESSING

1. The appropriate supervisor will enter all information (Inventory, Equipment, and Labor) on Form DOT-12 and sign it.
2. The organization manager, or designee, will review the DOT-12, verify that the information is correct, sign the Report and forward to the computer entry clerk.
3. This clerk will assign a Document Number to the form. This number will be recorded and maintained on the DOT-1, "Document Control Log." Once this is completed, the clerk will enter the information on REMIS and file the DOT-12.

B. INVENTORY USAGES, FORM DOT-6 PROCESSING

1. The storekeeper or employee initiating an order (requesting an item to be "used" or charged to his or her organization) will initiate the DOT-6. The transaction must be noted as a "usage."
2. The appropriate storekeeper, or designee, will then review the DOT-6, ensuring that the information is correct and complete, and enter the necessary information as the Issuing Organization. A Document Number must be entered on the DOT-6 (the issuer of this number will enter in on a Form DOT-1, "Document Control Log). Any required changes concerning the item(s) being used will be noted on the DOT-6. This being accomplished, the storekeeper (or designee) will return a copy of the DOT-6 to the initiating employee, keep one copy on file, and forward one copy and the original to the designated employee for computer entry.
3. The computer entry clerk will enter the information into the REMIS system (through HW50, "IU," Inventory Usage on the File Maintenance Menu), initial and date the form, and file the original DOT-6.
4. In the event an issue was made to an outside agency, a copy of the DOT-6 will be attached to a Form BF-38, "Invoice," for the processing and billing by Transportation Finance Division. In order for a DOT organization to make a "sale" to an outside agency, the following requirements must be satisfied:
 - a. The outside agency must be officially recognized by the DOT before sales are permitted. This is verified by checking REMIS, HWIQ, Authorization option and reviewing the listing of AG---R authorizations for the agency in question.

- b. The individual sale must be approved, as specified by the DOT agency's policies and procedures.



C. INVENTORY USAGES, FORM DOT-7 PROCESSING

Effective: 5/1/2007

Refer to Division of Highways Administrative Operating Procedures [Section V., Chapter 13, Gas and Lube Inventory.](#)



D. INVENTORY TRANSFERS, FORM DOT-6 PROCESSING

Effective: 12/1/2004

1. The storekeeper or employee initiating a transfer will initiate the DOT-6. The transaction must be noted as a "transfer."
2. The appropriate storekeeper, or designee, will then review the DOT-6, ensuring that the information is correct and complete, and enter the necessary information as the Issuing Organization. A Document Number must be entered on the DOT-6 (the issuer of this number will enter in on a Form DOT-1, "Document Control Log). Any required changes concerning the item(s) being transferred will be noted on the DOT-6. This being accomplished, the storekeeper (or designee) will return a copy of the DOT-6 to the initiating employee(if not the storekeeper), keep one copy on file, and forward the original and remaining copy with the item to the recipient.
3. Upon physical receipt of the item, a representative of the receiving organization must sign the DOT-6, retain a copy, and return the signed original to the initiating organization's representative, who in turn will submit it to the initiating organization's computer entry clerk.
4. The computer entry clerk will enter the information into the REMIS system (through HW50, "IT," Inventory Transfer on the File Maintenance Menu if a PMS item; or through the Fixed Assets Inventory Menu if a fixed asset), initial and date the form, and file the original DOT-6.

E. INVENTORY TRANSFER CONFIRMATION PROCESS

Effective: 12/1/2004

1. Transportation Finance Division, Procurement Section will, at least monthly, run the "Inventory Transfer Confirmation Report," (computer generated) and distribute the appropriate portions of the report to each DOT organization for their review. This distribution may be made through electronic mail (e-mail) or by other means. This report details each transfer received by an organization, which organization performed

the transfer, and other pertinent information about the item(s) transferred (class, type, subcode or tag number, units, amount, etc.).

2. Procurement Section is also responsible for assisting organizations in resolving irreconcilable disputes and making corrections after the receiving organization's review of the Transfer Confirmation Report (see "7" below).
3. Upon receipt of the Transfer Confirmation Report from Procurement Section, the receiving organization will verify the physical receipt of the transferred items and the other details about the items shown on the report.
 - a. If the items were physically received as listed on the report, the organization storekeeper (or other authorized employee) will mark the "Received" column.
 - b. If the items were never received or received in an unusable condition, in the wrong quantity, etc., the "Disputed" column will be marked and the problem explained in the "Comments/Remarks" column. If any items in the report are marked as "Disputed," the receiving organization must contact the transferring organization and attempt to resolve the issue. In the event the issue cannot be resolved, Procurement Section must be contacted for further guidance.
 - Properly signed and dated DOT-6 Forms will provide strong evidence, in the event of disputed transfers.
 - c. After completion of this task, the storekeeper will sign and date the Transfer Confirmation Report, and make a file for audit.

