

**APPENDIX H – PHYSICAL INVENTORY INSTRUCTIONS**  
**INSTRUCTIONS FOR COMPLETION OF**  
**FIXED ASSET INVENTORY REPORT**  
**PHYSICAL INVENTORY**

In order to ensure that Milwaukee County’s fixed asset subsidiary ledgers reflect all, and only, fixed assets currently on hand and in use, it is necessary to conduct regular, periodic fixed asset inventories. The U.S. Office of Management and Budget, as outlined in Title 2/Subtitle A/Chapter II/Part 200 “Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards”, requires adequate property records. This requirement is detailed in section 200.436(e) as follows: “Charges for depreciation must be supported by adequate property records, and physical inventories must be taken at least once every two years to ensure that assets exist and are usable, used and needed.” Therefore, you are requested to physically verify your fixed asset inventories, as required by County Ordinance 56.11.

The attached Fixed Asset Inventory Report lists all the machinery and equipment for your department. The “Reference 1” and “Tag Number” fields contain the tag number found on each piece of equipment. The “Reference 2” field will note the funding source of the asset if included in the asset record.

**Physical Inventory as of the close of December 5, 2024**

Please indicate the status of each asset in the “Status” column using one of the following:

- Y = asset found and in service
- N = cannot find
- T = transferred to another county department
- D = asset disposed of

If the status = **Y**:

Verify all the information for the assets on the report. If there are any corrections, please insert a line below the data, record the corrections on the blank line and highlight the fields.

If the status = **N**:

Please note in the Comments column any explanation for why the asset cannot be found but is not disposed.

If the status = **T**:

Complete the columns: “Transferred to Agency”, “Transferred to Low Org”, and “Transferred to Location” to indicate the new department responsible for the asset.

If the status = **D**:

Complete the columns: “Disposition Method”, “Disposition Date”, and “Selling Price” using one of the “Disposition Methods” from the chart below.

Please highlight all changes on the excel spreadsheet.

Please complete the physical inventory and include your name, phone number and return the excel spreadsheet via e-mail, no later than **May 1<sup>st</sup>, 2025** to: **Central Accounting and copy [jason.foelker@milwaukeecountywi.gov](mailto:jason.foelker@milwaukeecountywi.gov) and [michael.lau@milwaukeecountywi.gov](mailto:michael.lau@milwaukeecountywi.gov) .**

Any questions please email Jason Foelker [jason.foelker@milwaukeecountywi.gov](mailto:jason.foelker@milwaukeecountywi.gov) or Michael Lau [michael.lau@milwaukeecountywi.gov](mailto:michael.lau@milwaukeecountywi.gov)

**Disposition Method**

D	D	DESTROYED
D	E	ERROR IN PRIOR YEAR
D	L	LEASE TERMINATION
D	O	OTHER
D	R	TRANSFERRED

D	S	SOLD
D	T	TRADED
D	U	LOST/UNACCOUNTED FOR
D	V	VANDALISM
D	W	WORNOUT, WRITTEN OFF