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## BUDGET UNIT BRIEF – FY 2020

Fiscal Services Division

July 1, 2020



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Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

## Inventory and Equipment

### Purpose and History

The funding provided to the Department of Transportation (DOT) from this appropriation is transferred to the Materials and Equipment Revolving Fund created in Iowa Code section 307.47. Purchases of materials, supplies, equipment, and vehicles are made from the Revolving Fund and billed back to the divisions of the DOT. This appropriation supplements appropriations to the various divisions of the DOT for the inflation cost of materials and supplies, maintenance and operational costs of equipment, and equipment replacements.

The Revolving Fund is under the purview of the administrator of the Highway Division of the DOT. The direct salaries of personnel supporting the acquisition, inventory maintenance, and disposition of materials and supplies are charged to the Revolving Fund and considered part of the direct expense associated with the operation. Surpluses in excess of \$100,000 (when there is no anticipated need) are reverted to the Primary Road Fund (PRF).

The DOT reports to the Legislative Services Agency in January of each year regarding the equipment and vehicle purchases made through the Revolving Fund during the preceding fiscal year.

### State Funding

The DOT has received this appropriation from the PRF annually since FY 1979, except for a four-year period (FY 2003 to FY 2006) when no appropriation was made. In FY 2017, \$5.3 million was appropriated from the PRF. In estimated FY 2018, the DOT began changing the equipment replacement cycle for heavy- and medium-duty trucks from 15 years to 12 years. Appropriations in estimated FY 2018 increased to \$10.5 million. In estimated FY 2019, \$10.5 million is being appropriated from the PRF.

### Related Statutes and Administrative Rules

Iowa Code section [307.47](#)

Iowa Administrative Code [761—20](#)

### Budget Unit Number

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### More Information

Iowa Department of Transportation: [www.iowadot.gov](http://www.iowadot.gov)  
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