

Work Order Workshop

**Oct. 25-26, 2023
Ramkota Hotel
& Conference
Center • Theater 1
Pierre, S.D.**

Logistical Information

Room Reservations:

Contact the Ramkota Hotel at 605-224-6877 and ask for the SDREA Work Order Workshop room block. Room rate is \$94 plus tax. Cut-off date is Sept. 24.

Contact the Clubhouse Hotel at 605-494-2582 and ask for the SDREA Work Order Workshop room block. Room rate is \$128 plus tax. Cut-off is Sept. 24.

The meeting will begin at 8:30 a.m., with registration at 8 a.m., and conclude by noon on the 26th.

Meeting Registration:

Register online at sdrea.coop by Oct. 17.

Need More Information?

Contact Kristie Hauck at 605-224-8823 or kristie.hauck@sdrea.coop

This course is part of SDREA Education Package A. If you did not purchase Package A, then the fee is \$650 plus tax per participant.

There will also be a \$90 fee per participant for supplies.

Outline of Course

For almost all electric cooperatives and utilities, their biggest investment is the electric infrastructure assets including poles, wire, and transformers needed to deliver electricity. It's a complex process to take raw materials, labor and overheads and convert them to our organization's largest asset. This workshop will provide an overall understanding of the Work Order system, how the investment gets paid for, and an exploration of numerous components within the Work Order system.

- Understand the overall work order process from start to finish. This will include the details of setting up a work order, including 740C code information and understanding how closed work orders can be reviewed and analyzed. We will discuss the importance of the documentation in the material, time/labor, and overhead costs. Digging deeper in, we will look at how assembly units are put together and to review them, add standard costs to each of them, and the importance of estimating the cost of jobs (have you noticed the increases in material costs?). If you are looking for an easy way to know when materials and labor should be expensed versus capitalized, don't miss out on attending and seeing an example of how to easily communicate and implement this simple process at your cooperative. We will connect the relationship between assembly units being converted to assets and the impact of constructing and retiring on your system. Additionally, we will cover salvage, specifically how to handle materials that are reused on a job. We will discuss the options of having special equipment be handled "traditionally" using service orders and compare the option of special equipment being handled through inventory. We will discuss best practices to keep inventory accurate and not spend hours searching for material differences.
- Not only is the work order accounting system complex, it's expensive. How are we going to pay for this infrastructure investment? What about repairs and maintenance? And storms? Or Federal Emergency Management Agency (FEMA) payments from a declared disaster? How about contributions in aid of construction (CIAC)? How do rates recover all these costs?
- When does work order needs to be set up? What do I need to know about a staking sheet and assembly units? Other topics will include inventory, overhead allocations and factors, closing of work orders, stores expense, standard costs and internal controls.

Together, we will step through this intricate process to understand the components, as well as understand how it shows up on the monthly billing statement to the consumer!

Participants Should Bring:

- Calculator
- 2022 year end form 7 (full report)
- Total amount of Contribution in Aid of Construction (CIAC) cooperative has received (or estimate of)

Speaker Information:

Teri Wallis – Terilyn (Teri) Wallis is the founder and owner of Terilyn Wallis Consulting, specializing in the financial, work order processes and strategic needs of electric utilities. Teri has a passion for the work order process. Over time her expertise has been utilized to develop and deliver certificate level educational programming for board members, finance and accounting professionals and non-financial managers. She also has a comprehensive working knowledge of internal control processes, ratio analysis and identifying potential operational efficiencies. Teri is committed to the development and success of financial leaders in the utility industry. She holds a doctorate degree in adult education, working to design and deliver quality and relevant content that will build successful leaders and financial professionals for electric utilities. She holds an MBA in finance and a BS in accounting. She is an instructor and presenter for numerous statewide associations and industry events, providing relevant teaching in the areas of accounting and finance, leadership and work orders.