

Facilities Management Operating Policies and Procedures Manual

Effective Date: 9-2-2005
Policy Number: 05-16-001
Section: Facilities and Services
Subject: Central Stores Stock Policy

Purpose:

Establish Facilities Management policy and/or procedure regarding purchases of items stocked in Central Stores.

Policy:

Central Stores provides items that are purchased on a repetitive basis to Facilities Management and the university community in a timely manner. Central stores carries a wide range of inventory such as copy paper, housekeeping supplies and maintenance supplies, which are frequently used or which are difficult to obtain on short notice.

Work Priority and Scheduling:

A meaningful work priority and scheduling function establishes the time constraints of an efficient procurement process. Rush or immediate work priority indicates this work must be done immediately, therefore time is the critical element and materials are acquired on emergency status as soon as possible. However, other non-rush work materials should be controlled in a systematic manner of acquisition, and should be planned for, including a scheduled delivery date. Department management is ultimately responsible for generating a bill of materials and assigning the responsibility to generate a bill of materials to a competent staff member, such as a team leader. **FM's goal is to minimize tool carrying staff travel time to pickup or to deliver material(s) from a vendor.**

Work Orders should be scheduled in advance. The material's availability in inventory should be reviewed or a purchase initiated in a timely fashion so that trips to a vendor's outlet are minimized. In all cases essential trips to a vendor's outlet should be made by a management designated runner, buyer, or manager except in extraordinary situations.

Procedures:

1. Determining if item should be ordered from Central Stores: Before ordering from another source, Facilities Management employees must first determine if the items are available in Central Stores. The availability of a specific item may be determined by accessing the FAMIS Inventory Control Module. *All employees should attend a FAMIS Inventory Control training session to acquaint themselves with the procedure by which to identify inventory items and quantity currently on hand.*

2. Central Stores orders may be placed in several ways:

- A. Orders may be sent through e-mail to Central Stores. E-mails should include the work order number, item number, description, stores unit, and quantity desired for each item. It is the requestor's responsibility to pick up materials at the designated time from Central Stores.

Example of an e-mail order:

| WO# | item# | Description | Unit | Qty Ordered |
|--------|-------|--------------|------|-------------|
| 06xxxx | 3025 | Toilet paper | Case | 2 |
| 06xxxx | 3025 | Kleenex | Case | 6 |

- B. Walk-in orders may be placed at the Central Stores desk. The employee should first make sure that the item is not on truck stock or in shop stock. Facilities Management employees will be processed on a first come first serve basis. The employee will bring the work order in hand or has the option of looking on the computer in Central Stores to verify the status of the work order. The employee should identify the item number and the description of the part needed, or know how to look the item up in the FAMIS Inventory Control Module. The computer located in Central Stores should be used only for this purpose.
- C. Orders may be sent via FAMIS online part request. Items requested online via FAMIS will be pulled and staged for pick-up. The requestor should allow ample time for processing of the request. Large orders requested by e-mail or online request will be allowed two days processing. For example, items requested on Wednesday afternoon will be ready on Friday afternoon. All items are to be picked up by the appropriate requesting department. The requestor is responsible for picking up materials at the designated time.

3. Draw down limits:

The stock level of a warehouse item is established based on daily material needs of routine, recurring or emergency work. Employees should be familiar with stock levels when determining material requirements that use a significant amount of a stocked item, in a single draw or multiple draws for a single work order. When a single draw is of significant quantity and reduces the stock level to or near depletion, the material should be ordered in advance and not withdrawn from Central Stores. If material is in stock, the material will

be issued, however the requesting employee will be informed of the impact of drawing significant numbers of a stock item. The employee's supervisor will be immediately e-mailed by warehouse personnel so supervisor can review merits of each case.

4. Departmental responsibility:

It is up to the department employees to provide the Central Stores personnel the appropriate work order number to be charged, and that the work order being charged is in a status acceptable for the items to be applied.

5. Integrity:

It is of the utmost importance that employees use integrity and good judgment when making decision about the placement of parts on work orders to ensure proper billing to the campus community.

6. Adding items to stock:

New items are added to the Central Stores stock in one of the following ways:

- A. Requests for stocking of the items are received from the Facilities Management departments based on a need for a large or repetitive annual volume of a supply item.
- B. Central Stores Management may recognize that a significant number of orders, for a particular supply item, are being placed to vendors and suggest that this item should be placed in inventory to the appropriate department manager.
- C. Quarterly PM work orders have been established for the Central Stores personnel to meet to meet with appropriate departmental staff. This will be done to review usage history, purchased items, and p-card transactions within the last quarter. The meeting shall determine the appropriate stock levels and re-order points to be initially established. The re-order points will be continually monitored for the most efficient level.
- D. By completing an **Add to Stock Form**, a director/assistant director can request a new item be added to stock based on changes in industry standards or new technology advances. The director/assistant director will provide the specification for the new item and recommend stocking level and re-order points. Actual stocking levels and re-order points may be increased or decreased based upon usage history.

7. Excess Parts at the Completion of Work for Non-Stock Items:

At the completion or closeout of a project or job (see FMOP close out) it is the responsibility of the team leader to identify material surplus and notify the buyer who purchased the material. The buyer will make arrangements to return excessive parts to vender when possible. The vendors refund slip should be given to Central Stores and Central Stores will credit the work order that was billed. ***This reduces our customers' cost and should occur prior to closing of work order.***

If material cannot be returned to the vendor, the team leader then should advise director/assistant director of the most practical resolution for the surplus material. One of the following should occur:

A. Material is stored for future use

- i. When material is considered a unique maintenance material needed for repairing original application.
- ii. The material is considered of sufficient value and saved for future work.

B. Dispose of materials

- i. Turn over to Director of Recycling / M&R for marketing and redistribution or transfer to other state agencies.

8. Deleting items from stock and establishing or changing re-order points:

Items are deleted from stock when a study of usage information makes it evident the item is no longer being utilized significantly. The decision to delete an item is made jointly by the Central Stores Manager and the FM department managers. Unused and outdated material should be disposed of by following the state of Arkansas and ASU M&R procedures. All materials should be turned over to the directors of recycling / M&R for proper disposal, documentation, and compliance with M&R procedures, which includes notification of ASU Procurement office. Under no circumstances will unused or outdated material be given to employees. There will be an annual review of all stocking levels in conjunction with end of year inventory closeout reconciliation. A director/assistant director will complete a **Delete from Stock Form** for items to be removed from stock.

Responsibilities:

Each Director in each functional area will ensure that any and all persons who may be involved with the initiation of stores requests are aware of this policy and the Central Stores procedures.

The Facilities Management Central Stores office will be the primary contact point for implementation of this policy. The Facilities Management Central Stores office will be open from 7:00 a.m. until 5:00 p.m. each normal workday to obtain supplies or answer questions.