# FACILITIES, PLANNING & ENVIRONMENTAL SAFETY

**CENTRAL RECEIVING**

#  STOREROOM PHYSICAL INVENTORY PROCEDURE 4903.02

# POLICY

To provide a comprehensive method for determining accurate inventory levels of products stocked in the Maintenance Center Storeroom and to assign a budgetary value to that inventory.

# PROCEDURES

* **All inventory information is maintained using the SAP system as required by PASSHE.**
* **As inventory items are distributed, a log book is updated by warehouse personnel capturing the following information: Date, Unit of Measure, Quantity, Item #, Item Description, Work order # or Building, Fund Center, Name or Zone.**

NOTE: This log must be filled out in its entirety before issuing inventory.

* **Entries from the log book are entered into the SAP system at the end of each business day.**
* **Cycle Counts of inventory items are performed every 4-6 weeks based on a rotating schedule determined by the SAP system. Schedule is based on item activity so that fast moving items are counted more often and slower moving items are counted less frequently.**
* **As inventory is replenished, a physical count is taken of each item before the new stock is added to the inventory count.**
* **If a discrepancy is found during a cycle count or inventory replenishment, the item is recounted for verification. Neighboring bin locations are also checked for misplaced items. If the discrepancy cannot be resolved, the inventory count is adjusted accordingly and the discrepancy is reported to the Director of Facilities.**
* **At the end of each fiscal year (June 30th) a complete inventory report is run and submitted to Accounting Services and the Internal Auditor. No changes are made to the inventory system until instructed by Accounting Services and the Internal Auditor. All distributions are tracked via the log book and all receipts are held until given the OK.**
* **Items with no activity for a 3-year period will be reviewed by Director of Facilities for possible obsolescence.**
* **All cycle count reports and end of year reports will be retained by the Facilities, Planning and Environmental Safety Department for a period of 7 years.**

# SANCTIONS

Employees not following this procedure or knowingly submitting incorrect information shall be subject to disciplinary procedures outlined within University Guidelines.

# RESPONSIBILITY FOR IMPLEMENTATION

The Director of Facilities is responsible for implementation of this policy.

# SCOPE OF POLICY COVERAGE

This policy applies to all Maintenance Center Storeroom staff and/or any individual distributing or receiving inventory items to be stocked in the Maintenance Center Storeroom.