

Facilities Planning & Management  
Maintenance Repair Parts  
Policies  
&  
Procedures

Revised 10/2013

# Facilities Planning & Management

## Maintenance Repair Parts Policies & Procedures

---

PURCHASE REQUESTS	cspolicy1.wpd	1 - 4
ISSUES FROM STOCK	cspolicy2.wpd	5 - 7
MONTHLY BILLING	cspolicy3.wpd	8 - 10
NON-STOCK PURCHASES	cspolicy4.wpd	11 - 13
ITEMS GREATER THAN \$500	cspolicy5.wpd	14 - 15
RECEIVING, NON-STOCK ITEMS	cspolicy6.wpd	16 - 17
RECEIVING, STOCK ITEMS	cspolicy7.wpd	18 - 19
OUT OF STOCK ITEMS	cspolicy8.wpd	20 - 21
OBSOLETE INVENTORY DISPOSAL	cspolicy9.wpd	22 - 23
STOCK RE-ORDER POINTS	cspolicy10.wpd	24 - 25
PERPETUAL INVENTORY	cspolicy11.wpd	26 - 27
ANNUAL INVENTORY	cspolicy12.wpd	28 - 31
SCHEDULE & GUIDE REPORTS	cspolicy13.wpd	32 - 36

# Facilities Planning & Management

## Maintenance Repair Parts Procedures

---

**SUBJECT:** Purchase Requests - Stocked Item Purchases

**PURPOSE:** To define a procedure for ordering and re-ordering stock items from off campus vendors.

**SOURCE:** Facilities Planning & Management and Purchasing Departments

**PROCEDURES:**

All stocked items are managed with our CMMS (computerized maintenance management system). The Central Stores staff in concurrence with the shop foremen (assigned to oversee activities regarding maintenance repair parts) will establish minimum stock levels and re-order points for each item and enter these values into the CMMS. At least weekly, the Central Stores staff will generate a stock re-order report for review. Based on the information contained in this report and other information available to the Central Stores staff including an actual count of the balance on hand, a pre-order form will be filled out for each Item/Vendor, indicating the local account number.

Following review and signature by the appropriate (according to pre-determined levels of signature authority) Fiscal Agent and dependent upon the amount of the order needed, the order will be placed using the BANNER system by the Central Stores staff assigned generating a PO number and order for the Purchasing Office to process or use of the P-Card to restock needed items.

The Central Stores staff assigned will note the PO number on the pre-order form, return a copy to the appropriate foreman and a copy will be on file in the Central Stores Department.

## Maintenance Repair Parts

### How To: Order Stock Items

#### ***Procedure:***

At least weekly, the foreman or designee should generate a stock re-order report items for shop use. The report can be generated using a variety of means.

- a. Visual inspection of the shelves and taking note of items low in inventory.
- b. Generate a **report in CMMS** for the maintenance shop (see instructions)
- c. Manually review the lists the workmen have provided to the Shop Foreman as parts have been used in their daily routines on maintenance work orders.
- d. Review weekly report provided by Central Stores for your shop's non-consumables (**Red** or **White** tagged items)
- e. Combination of any of the above means

Once a list of items has been organized, a pre-order form(s) should be filled out grouping items for vendor(s) for bids. The pre-order form(s) should contain as much information as possible to identify the part(s) needed. Information needed includes the Item part number, description including size, color, etc., quantity needed. Indicate whether the items will be used to restock shelves or will be used on a specific maintenance repair request. If the parts are for a specific maintenance repair request, include the maintenance repair request number assigned to the repair. List the vendors who could bid on the items. The pre-order form should be dated and signed by the person preparing the form(s). Then the pre-order form(s) should be signed by the appropriate person authorized as the fiscal agent.

The pre-order form(s) should be taken to Central Stores for ordering. Central Stores will provide the local account number to be used to purchase the stock items. If the pre-order is for a specific maintenance repair order, the appropriate account number should be noted. A copy of the pre-order should be retained by the Shop Foreman until the order is received.

## Maintenance Repair Parts

### How To: Order Stock Items

#### ***Procedure:***

For the **P-Card purchases**, Central Stores **limit is \$2,500 per vendor per day**. If the order will be for more than \$2,500 the preorder form is given to the staff clerk and told of any special instruction about the preorder and then the staff clerk enters the preorder information on the **BANNER** System and will write the requisition number in the lower right hand corner of the preorder form and keeps the white copy for the record, the yellow and pink copies are given to Central Stores staff for their records. The Central Stores staff will call the foreman to inform him the order has been given a requisition number and that the Purchasing Department is taking care of the order. The Central Stores staff uses their assigned **EIU P Card for most purchases under the \$2,500 limit** - purchases of stock and non-stock inventory items.

#### **Red & White Label – Parts**

White labels identify non-consumable parts generally with a value of **\$10 or more**. However, there are a few parts with a red (original color) label remaining on shop shelves. These parts are counted cyclically and annually. The physical count and value of the parts are recorded at the end of the fiscal year by the Business Office. When ordering the red or white label items, Central Stores purchases the items out of a local account. The part is billed out when a maintenance repair order requires the use of the part(s). The part(s) is recorded and billed to the appropriate revenue area at the end of the month by Central Stores. **Tracking the red or white label parts is imperative and must be recorded and billed in a timely manner as parts are used for repairs. It is the responsibility of the shop to keep their maintenance repair orders up to date, parts recorded and turned in daily. Monthly billing cannot be processed without the up-to-date information.**

#### **Green Label – Parts**

These parts are generally valued at **under \$10** or less. **These parts are considered to be consumables**. Consumables are not tracked on maintenance work orders. These parts are generally used daily and in large quantities over the year. When ordering green label parts always include the item part number, description, and quantity needed. Central Stores will order the parts using the item part number. Provide the percentage split to Central Stores for the campus and the percentage will be used to bill out the cost of the parts at the end of the month. **The costs will be spread out throughout campus using the percentage split. The computer system will not have a count of these items.**

## Maintenance Repair Parts

### **How To: Order Stock Items**

Foremen may arrange with Central Stores Staff to receive a copy of a report listing the parts needing ordered based upon the reorder points. Prior to the order being placed, the foremen will be able to review the order. Foremen may arrange to have parts ordered based upon the re-order report without review.

#### ***Procedure:***

#### **CMMS Instructions for Report of Parts Needed (by use of re-order points)**

1. Go to CMMS Main Menu Screen
2. Click on Run Reports, then Inventory Management, Report: [Parts Reorder List-S](#), then click Run: that will bring up the report
3. Go to bottom of screen and click on printer
4. Now review the report or have it printed out (check how many pages before you print) you may not want to print it all out at once.
5. You can determine the number of pages of the report by clicking on the "arrow".
6. The report will provide for you all of the items needed by the reorder point that has been determined previously.
7. The report will only be as accurate as the records you have been turning in to Central Stores in keeping the inventory up to date.
8. If you only want part of the report printed, click on the circle next to the word "Pages"
9. Type in the number of pages you want, such as From 1 to 5.

#### **Source:**

Procedure: Facilities Planning & Management  
Maintenance Repair Parts  
Policies & Procedures  
CSPolicy #1 Purchase Requests

# Facilities Planning & Management

## Maintenance Repair Parts

### Procedures

---

**SUBJECT:** Issues from Stock

**PURPOSE:** To define a procedure for the issuance of Maintenance Repair Parts, Belts, Filters, and Light bulbs from Central Stores Stock.

**SOURCE:** Facilities Planning & Management

**PROCEDURES:**

Items stocked by Central Stores, including maintenance repair parts, belts, filters & light bulbs must only be issued to a valid Maintenance Repair (Work Order) or approved CMMS "tag" (account) number.

All stocked Central Stores maintenance parts are issued using the single part **Stock Issue Form**. The craftsperson with the assistance of Central Stores staff will fill out the form, providing the date, maintenance repair number or tag number to be charged, the stock number, description, and quantity of each item. The craftsperson name and initials are also entered onto the form, and the form is kept in the Central Stores file.

Each day, the Central Stores staff will combine the Stock Issue Forms, then total the group and enter those transactions into the CMMS.

For those parts issue where no Maintenance Repair order exists, such as directly to a Tag # (campus account), the specific account or project number will be entered on the Stock Issue Form and the Central Stores staff will enter the transaction into the CMMS accordingly. The Central Stores staff then verifies the accuracy of the input by checking the inventory activity report for the day against the Stock Issue Forms for the same time period.

## Maintenance Repair Parts

### **How : Maintenance Parts are Issued**

#### ***Procedure:***

#### **Credit Returns from Projects (R/A) and returns to shelves for re-sale:**

At the end of summer and possibly again after Christmas break, any stocked item not used on a project may be returned for credit to the project. Credit will be given to the specific project. Credit will be given to the account used to purchase the item originally for the specific project.

Central Stores will return the item to the shelves for future use, **IF** the foreman is in agreement the stocked item is a commonly used and necessary item to be stocked for normal maintenance use. Central Stores will purchase these items.

Normal charge out procedures will be used when stock is needed.

See Central Stores Staff for assistance for appropriate procedures to return stock and filling out of credit return forms.

#### **For returns to vendors if not needed for stock:**

Follow all of the procedural steps above, unless the foreman agrees the item needs to be returned to the vendor.

If the Central Stores staff purchased the item they will contact the vendor and try to arrange return of the stock for credit and return to vendor. **If purchased through Procurement process then R/A is responsible for contacting the vendor.**

If the vendor will not accept the return for credit then Central Stores may purchase the product and enter it into the Inventory for future sale.

#### **Source:**

Procedure: Facilities Planning & Management  
Maintenance Repair Parts  
Policies & Procedures  
CSPolicy #2 Issues from Stock



## Maintenance Repair Parts

### **How : Maintenance Parts are Issued**

#### ***Procedure:***

All items ordered and stocked by Central Stores, including maintenance repair parts, belts, filters and light bulbs, must only be issued to a valid maintenance repair order (Work Order) or (account number).

If a CMMS number is used, it will identify a particular building, or it may identify a piece of equipment such as 34TWSLA, this tag number identifies one of the cooling towers located at Andrews Hall. Work Control will have a listing of all of the tag numbers in use.

For those parts issued in the Shops, the Stock Issue forms (**Blue**) should be turned into the foreman of the shop **daily and the foreman turn all of the forms into Central Stores on a daily basis for accurate inventory accounting and billing**. The craftsperson will fill out the form, CS Maintenance Parts Checkout Form, providing the date, maintenance repair order number (Work Order number) to be charged, Building, the stock number, description and quantity of each item. The craftsperson's name and/or employee number are entered, the building name, room/location, or the machine number requiring the part/or repair. The Central Stores staff will assist if there are any questions. The form when completed is turned into the Central Stores staff. The Central Stores staff will combine the Stock Issue forms daily, and enter those transactions into CMMS. The form is kept on file by Central Stores.

Stock issued from the Master Warehouse will use the Stock Issue forms (**Purple**) to record the Work Order number, Employee, Shop, date, quantity, part number, part description, **and these forms are to be turned into the Central Stores staff daily**. These transactions will be entered into the CMMS. The form is kept on file by Central Stores.

#### **Source:**

Procedure: Facilities Planning & Management  
Maintenance Repair Parts  
Policies & Procedures  
CSPolicy #2 Issues from Stock

# Facilities Planning & Management

## Maintenance Repair Parts Procedures

---

**SUBJECT:** Monthly billing

**PURPOSE:** To define a process for the monthly billing of customer accounts to reimburse the Janitor and Keys local account for items issued during the period.

**SOURCE:** Department of Facilities Planning & Management and University Policy

**PROCEDURES:**

At the conclusion of each monthly billing period, or weekly at the closing of the fiscal year, the Central Stores staff will initiate the necessary CMMS inventory activity and resource usage reports. The Inventory Activity Report, containing a listing of all activity for the period is then checked against the resource usage reports to insure transactions are accounted. Any anomalies evident in these reports will be investigated by the Central Stores staff before proceeding. The CMMS inventory activity report will contain a detailed listing of all issues and receipts of inventory and non-inventory items, and will be the control report to verify actual billings. The Resource Report for the period will list the detail of transactions to non-maintenance repair order activities, and the Maintenance Repair Order activity report will detail issues against Maintenance Repair Orders, and according to these reports the Central Stores staff will prepare the monthly billing report, or weekly at the closing of the fiscal year, for the Central Stores staff assigned.

The Central Stores staff assigned will post monthly, or weekly at the closing of the fiscal year, the appropriate billing (in accordance with already established procedure and controls from the Business Office) to the mainframe and a summary of those billings will be forwarded to the fiscal agents.

## Maintenance Repair Parts

### **How : Maintenance Parts are Billed**

#### ***Procedure:***

All non-inventory and inventory items processed through Central Stores are billed monthly, or weekly at the closing of the fiscal year, to the appropriate revenue areas.

Central Stores staff must process daily the Maintenance Parts Checkout Form. This form provides them with the information of how many of an item was used, whether it was a special item, non-inventory or inventory item. The form also provides vital information as to where the part(s) were used so the appropriate revenue area is billed correctly.

**It is critical for appropriate billing and for accurate inventory accounting to have these checkout forms for parts used sent to the Central Stores staff daily.** If you are concerned that you will not need all of the parts you have taken, credit will be given to the revenue area when you return the parts you did not need for the maintenance repair order.

There is potential for internal audit findings if material "issue tickets" are not turned in to Central Stores staff in a timely manner when materials are removed from stock either from Central Stores or from the individual shops. Not turning in the cards in a timely manner directly affects the FPM inventory control process by allowing stock levels to lag behind or giving the appearance of inaccurate inventory control and makes it impossible to track and replenish in a timely way to support campus maintenance.

Fill out the cards as the materials are removed from inventory. The completed cards need to be turned in **daily**. It is critical to our maintenance materials inventory control process.

Maintenance Repair Parts

**How : Maintenance Parts are Billed**

***Procedure:***

Turning in Issue Cards **daily**

Failure of individual users to follow these guidelines may result in counseling. Repeated instances could lead to progressive discipline.

When billing these amounts monthly, our customers want to be assured of accuracy and timeliness and we all should strive to provide them with accurate and timely billing and as much information to support these charges as is available.

**Source:**

Procedure: Facilities Planning & Management  
Maintenance Repair Parts  
Policies & Procedures  
CSPolicy #3 Monthly Billing

# Facilities Planning & Management

## Maintenance Repair Parts Procedures

---

**SUBJECT:** Non-Stock Purchases

**PURPOSE:** To define a process for ordering non-stocked maintenance repair parts from off-campus vendors.

**SOURCE:** Facilities Planning & Management and University Policy and Procedures

**PROCEDURES:**

Items not stocked by Central Stores, including maintenance repair parts, belts, filters, and light bulbs that will be utilized to fulfill specific repair needs will be ordered by Central Stores, against the specific Maintenance Repair Order, Project Number, or supporting account when no repair order is available.

All orders for non-stocked parts will be initiated by the shop foreman, utilizing the 3-copy pre-order form. The pre-order form should contain the maintenance repair order number from the CMMS, or reference to the account to be directly billed. The pre-order form should also contain a detailed description of the items ordered, with attachments as necessary, and the name, address, contact and phone number of the vendor.

Upon receipt of the pre-order, the Central Stores staff will indicate the Central Stores local account, obtain the necessary fiscal agent approval, and initiate a purchase order

When the parts are ordered, a non-stock inventory card is created in the CMMS by the Central Stores staff.

When the parts are received and issued to the shop, the transaction will be entered into the CMMS as a non-stock transaction utilizing the previously created inventory card in the CMMS and in accordance with the appropriate departmental policy and procedures.

## Maintenance Repair Parts

### How To: Order Non-Stock Items

#### ***Procedure:***

As the need for a repair arises on campus where the part is not typically held in stock, the foreman or designee should generate a 3 copy pre-order form.

The pre-order may be for one item or a list of items that are considered to be Non-Stock items. The pre-order form(s) should be filled out grouping items for vendor(s) for bids. The pre-order form(s) should contain as much information as possible to identify the part(s) needed. Information needed includes the Item part number, description including size, color, etc., quantity needed. Indicate on the pre-order form a specific maintenance repair request, Project number, or supporting account when no repair order is available. List the vendors who could bid on the items. The pre-order form should be dated and signed by the person preparing the form(s). Then the pre-order form(s) should be signed by the appropriate person authorized as the fiscal agent.

The pre-order form(s) should be taken to Central Stores for ordering. Central Stores will provide the local account number to be used to purchase the stock items. If the pre-order is for a specific maintenance repair order, the appropriate account number should be noted. A copy of the pre-order should be retained by the Shop Foreman until the order is received.

For the P-Card purchases, Central Stores limit is \$2,500 per vendor per day. If the order will be for more than \$2,500 the preorder form is given to the staff clerk and told of any special instruction about the preorder and then the staff clerk enters the preorder information on the **BANNER** System and will write the requisition number in the lower right hand corner of the preorder form and keeps the white copy for the record, the yellow and pink copies are given to Central Stores staff for their records. The CS staff will call the foreman to inform him the order has been given a requisition number and that the Purchasing Department is taking care of the order. The Central Stores Staff uses their assigned EIU P Card for most purchases under the \$2,500 limit - purchases of stock and non-stock inventory items.

## Maintenance Repair Parts

### **How To: Order Non-Stock Items**

#### ***Procedure:***

When the parts are ordered, a non-stock inventory card is created in CMMS by the Central Stores staff.

When the parts are received and issued to the shop, the transaction will be entered into CMMS as a Non-stock transaction using the previously created inventory card in CMMS and in accordance with the appropriate policy and procedures.

The non-stock items will be billed to the appropriate revenue area at the end of the month by Central Stores.

Monthly billing cannot be processed without the up-to-date information.

The foreman may, depending upon the amount of the order, need to obtain approval for the purchase from a fiscal agent of other revenue accounts ***prior*** to authorizing the purchase of items.

No inventory identification numbers are used nor are they established for the non-stock item(s).

#### **Source:**

Procedure: Facilities Planning & Management  
Maintenance Repair Parts  
Policies & Procedures

CSPolicy #4 Non-Stock Purchase Requests

## **Facilities Planning & Management**

### **Maintenance Repair Parts**

#### **Procedures**

---

**SUBJECT:** Stock and non-stock transactions for items greater than \$500.00

**PURPOSE:** To define a process for ordering or issuing of maintenance repair parts that exceeds \$500.00

**SOURCE:** Facilities Planning & Management

**PROCEDURES:**

Shop foreman shall obtain Fiscal Agent authorization for maintenance repair parts that exceed \$500.00 per Maintenance repair order. When the shop foreman has been delegated fiscal agent authority, that authorization is assumed to be the limit of that authority. When that authority is exceeded by the scope of repair necessary, or the shop foreman is not the fiscal agent of the supporting account, and the materials exceed \$500.00, additional signature authorization to proceed is required.

As required above, the shop foreman shall obtain the fiscal agents authorization (signature) on the pre-order form or shop copy of the maintenance repair request. An e-mail authorization by the appropriate fiscal agent is also allowed when the e-mail is printed and attached to the pre-order form.

The Central Stores staff shall not order or issue parts to a Maintenance Repair order without proper authorization.



## Maintenance Repair Parts

### **How To: Stock & Non-Stock Transactions for Items Greater than \$500.00**

#### ***Procedure:***

As the need for a repair arises on campus where the part is greater than \$500 in value, the foreman or designee should generate a 3 copy pre-order form and receive authorization from the appropriate fiscal agent who will be paying for the purchase.

The authorization may be in the form of an e mail, copy of an e mail attached to the pre-order form, letter, actual signature on the pre-order form, or a phone call to Central Stores staff giving them approval to make the purchase.

The Central Stores staff shall not proceed with the purchase of the item or issue the item without proper authorization.

#### **Source:**

Procedure: Facilities Planning & Management  
Maintenance Repair Parts  
Policies & Procedures

CSPolicy #5 Stock and Non-Stock Transactions for Items greater than \$500

# Facilities Planning & Management

## Maintenance Repair Parts Procedures

---

**SUBJECT:** Receiving, Non-Stock

**PURPOSE:** To define Central Stores receiving procedures for non-stock items.

**SOURCE:** Facilities Planning & Management

**PROCEDURES:**

When a non-stock item is received at Central Stores dock, the Central Stores staff will verify the validity of the purchase order utilizing the copy of the purchase order or an on-line search. The package/carton will be checked for damage and the item(s) indicated as received and any damage noted on purchase order.

Central Stores staff will then be verbally notified of the receipt, and will verify the receipt against the non-stock order processed through the CMMS. If correct, the receipt will be entered into the CMMS, and the shop requesting the item(s) will be notified by phone, and/or e mail, to arrange pick-up/delivery.

If an incomplete shipment is received, the order will remain open in the CMMS and on the BANNER system pending complete shipment and receipt, while the partial receipt is delivered.

The Central Stores staff will review outstanding orders that are more than two weeks old, and contact vendors requesting shipping dates as appropriate.

A weekly status of outstanding orders will be forwarded to the Central Stores Manager for review.

## Maintenance Repair Parts

### **How To: Receiving, Non-Stock Items with a PO# or P-card Log #**

#### ***Procedure:***

When a non-stock item is received at Central Stores, the Central Stores staff will verify the validity of the purchase order by checking with the Procurement Office or Service Enterprise Manager so they can check the BANNER system or P-card log #.

The package/carton will be checked for damage and the item(s) indicated as received.

Once the order is verified as complete, Central Stores staff will call or e mail the shop foreman to let them know the order is in and arrange pick up or delivery.

If the order is not complete, Central Store staff will follow up with the vendor for future ship dates. The shop foreman will be notified of findings.

#### **Source:**

Procedure: Facilities Planning & Management  
Maintenance Repair Parts  
Policies & Procedures  
CSPolicy #6 Receiving, Non-Stock item

# Facilities Planning & Management

## Maintenance Repair Parts Procedures

---

**SUBJECT:** Receiving, Stocked Items

**PURPOSE:** To define Central Stores receiving procedures for stocked items.

**SOURCE:** Facilities Planning & Management

**PROCEDURES:**

When a stocked item is received at Central Stores dock, the Central Stores staff will verify the validity of the purchase order utilizing the purchase order or the BANNER system. The package/carton will be checked for damage and the item(s) marked received in the CMMS.

The Central Stores staff will then be verbally notified of the receipt, and will verify the receipt against the stock order processed through the CMMS. If correct, the receipt will be entered into the CMMS, and the item(s) put away in the warehouse. If incorrect, the Central Stores staff will investigate by contacting the vendor and working out corrective action.

If an incomplete shipment is received, the order will remain open in the CMMS and on the BANNER system pending complete shipment and receipt and the received goods moved to their warehouse location.

Central Stores staff will review outstanding orders that are more than two weeks old, and contact vendors requesting shipping dates as appropriate.

A weekly status of outstanding orders will be forwarded to the Central Stores Manager for review.

## Maintenance Repair Parts

### **How To: Receiving, Stocked Items with a PO# or P-card Log #**

#### ***Procedure:***

When a stocked item is received at Central Stores, the Central Stores staff will verify the validity of the purchase order or Log # by contacting the person who placed the order, usually Central Stores staff.

The package/carton will be checked for damage and the item(s) indicated as received.

Once the order is verified as complete, Central Stores staff will call or e mail the shop foreman to let them know the order is in and arrange pick up or delivery.

If the order is not complete, Central Store staff will follow up with the vendor for future ship dates. The shop foreman will be notified of findings.

#### **Source:**

Procedure: Facilities Planning & Management  
Maintenance Repair Parts  
Policies & Procedures  
CSPolicy #7 Receiving, Stocked item

# Facilities Planning & Management

## Maintenance Repair Parts Procedures

---

**SUBJECT:** Out of Stock Items

**PURPOSE:** To define a procedure for the issuance of an item that is temporally out of stock.

**SOURCE:** Facilities Planning and Management

**PROCEDURES:**

When there is not enough stock on hand to complete the order request, the Central Stores staff will verify through the CMMS that the item has been ordered and if so noting the order date and expected shipping date. The Central Stores staff will notify the customer as to the status of the items that are not available and ask the customer if they would like to create a "back order" for the missing items, or substitute other stock, in all or part. An order is created by filling out a maintenance parts checkout form in its entirety for the unavailable items. The Central Stores staff will retain the only copy of order request and notify the shop when the item is received and ready for pick-up.

If the item is not on order but should be the Central Stores staff will initiate the order process and proceed with the back order process above.

The Central Stores staff will review unfulfilled back orders on a weekly basis and prepare a report for the Central Stores Manager with copies to the affected shop foreman.

## Maintenance Repair Parts

### **How To: Out of Stock Items**

#### ***Procedure:***

When items are found to be out of stock, it may be due to a pending order that has not been received or the item may not be on order as yet.

Central Stores staff will call the shop foreman to inform them of the situation. If the shop foreman wants to proceed, the order will be marked as "Order". Central Stores will retain the only copy and notify the shop foreman when the part(s) have been received.

Central Store staff will note on the Maintenance Repair Order in the Notes section the status of the parts. The shop foreman will need to provide the Maintenance Repair Order number at the time of the discovery of the item is out of stock.

Once the order is verified as complete, Central Stores staff will call or e mail the shop foreman to let them know the order is in and arrange pick up or delivery.

If the order is not complete, Central Store staff will follow up with the vendor for future ship dates. The shop foreman will be notified of findings.

#### **Source:**

Procedure: Facilities Planning & Management  
Maintenance Repair Parts  
Policies & Procedures  
CSPolicy #8 Out of Stock Items

# Facilities Planning & Management

## Maintenance Repair Parts Procedures

---

**SUBJECT:** Obsolete Inventory Disposal

**PURPOSE:** To define a procedure for the disposal of obsolete maintenance repair parts

**SOURCE:** University Policy and Procedures, Purchasing and Fixed Assets Policy

**PROCEDURES:**

The Central Stores staff shall have the responsibility for reviewing stock transactions and inventory usage for the purpose of identifying un-used (obsolete) parts at least once a year before the annual inventory. Upon identifying parts stocked in quantities which are not needed to cover short term future needs (1 year except for repair parts) the Central Stores staff shall list the stock number, description, issue value, current quantity, and proposed stock level, in an obsolete items report.

The obsolete items report will be forwarded to the appropriate shop foreman and the Central Stores Manager for review. Upon review, the shop foreman and Central Stores will reach an agreement on appropriate stock levels.

The Central Stores staff will attempt to dispose of surplus inventory by first contacting vendors to arrange return for refund or credit on future purchases. If arranged, this solution will be accomplished only with the written approval of the University Purchasing Department, the Accounting Office, the Director of Facilities Planning and Management, and the Central Stores Manager.

If no satisfactory return for credit arrangements can be made with vendors, Central Stores will co-ordinate the disposal with the University Property Control Supervisor and CMS in Springfield.

At the conclusion of the stock adjustment process, the Central Stores staff will update the item quantity in the CMMS Inventory Module.



**How To: Obsolete Inventory Disposal**

***Procedure:***

The Central Stores staff shall have the responsibility for reviewing stock transactions and inventory usage for the purpose of identifying un-used (obsolete) parts at least annually. Upon identifying parts stocked in quantities which are not needed to cover short term future needs the Central Stores staff shall list the stock number, description, issue value, and current quantity, in an obsolete items report.

The obsolete items report will be forwarded to the appropriate shop foreman and the Central Stores Manager for review. Upon review, the shop foreman and Central Stores will reach an agreement on appropriate stock levels.

The Central Stores staff will attempt to dispose of surplus inventory by first contacting vendors to arrange return for refund or credit on future purchases. If arranged, this solution will be accomplished only with the written approval of the University Purchasing Department, the Accounting Office, the Director of Facilities Planning and Management, and the Central Stores manager.

If no satisfactory return for credit arrangements can be made with vendors, Central Stores will co-ordinate the disposal with the University Property Management supervisor and CMS in Springfield.

Central Stores staff will then make the appropriate corrections to the inventory within the system.

**Source:**

Procedure: Facilities Planning & Management  
Maintenance Repair Parts  
Policies & Procedures  
CSPolicy #9 Obsolete Inventory Disposal

## **Facilities Planning & Management Maintenance Repair Parts Procedures**

---

**SUBJECT:** Stock Re-Order Points

**PURPOSE:** To define a procedure for the management of stock re-order points.

**SOURCE:** Facilities Planning & Management

**PROCEDURES:**

The Central Stores staff, utilizing features available in CMMS, shall establish re-order points for each item in stock.

A re-order report is prepared by CMMS and reviewed weekly or as necessary by the Central Stores staff. Based on the recommendation of the re-order report the Central Stores staff will verify actual item counts and prepare pre-order forms with the stock number, description, quantity price and vendor for those items to be ordered.

The pre-order form, with appropriate signature will be entered into the BANNER system, creating a request for a University Purchase Order or use of P-Card Purchase.

The Central Stores staff will be notified of the BANNER request and associated PO number. The Central Stores staff will enter the information into the CMMS as an item purchase.

## Maintenance Repair Parts

### **How To: Stock Reorder Point**

#### ***Procedure:***

Weekly Central Stores staff will initiate a Stock Reorder Point Report or perform a visual of stock items to reorder.

This report will be generated by the information within the computer system. If a reorder point exists for a particular part and if the records (purchases, issues and returns) indicate that the reorder point has been reached. This item will appear on the Stock Reorder Point report.

The shop foreman may be given a copy of the report, if arranged with the Central Stores staff. It will be the decision of the Shop Foreman as to whether or not to order the parts indicated. If the parts are to be ordered, the Shop Foreman will prepare a pre-order form.

If the shop foreman decides the parts are not to be ordered, then the foreman should make the Central Stores staff aware of this and reconsider the reorder point designated in the System.

Adjustments can be made within the System to match the needs of the shop.

Be sure to let Central Stores staff know in advance if there is a need for more parts than usual due to a break where additional work can be performed. This will allow appropriate time for the staff to order the parts and have them delivered in time for your projects.

#### **Source:**

Procedure: Facilities Planning & Management  
Maintenance Repair Parts  
Policies & Procedures  
CSPolicy #10 Stock Re-Order Points

# Facilities Planning & Management

## Maintenance Repair Parts Procedures

---

**SUBJECT:** Perpetual Inventory

**PURPOSE:** To define procedures for the establishment and maintenance of perpetual inventories of Maintenance Repair Parts.

**SOURCE:** Facilities Planning & Management

**PROCEDURES:**

In accordance with previously established departmental procedures, Central Stores will establish and maintain the following for items stocked in Central Stores or its satellite warehouses:

1. Unique numbers (SKU) shall exist for each item previously designated by the Director of Facilities Planning to be managed and inventoried in Central Stores.
2. Each item so identified shall be assigned a location in one of the warehouse locations, by storekeepers, for storage.
3. Under the direction of the Central Stores Manager, Central Stores staff will establish a beginning count for each item on July 1<sup>st</sup> or the first working day of the fiscal year.
4. During the period of the perpetual inventory, Central Stores staff will maintain purchasing (and invoicing) records shall record them in the CMMS.
5. Usage through normal stock transactions (issues and returns) shall be documented and recorded in the CMMS for each item, in accordance with a repair maintenance repair order, or tag #.
6. Central Stores staff shall record any stock damage or known shrinkage and it shall be recorded in the CMMS, and a report made to the Central Stores Manager.
7. The record system (CMMS) shall be able to issue current on-hand counts and values at any time, in addition to reports on shrinkage and usage by cost center or asset.

All modifications to stock levels except for purchases, issue and returns, shall be reported to the Central Stores Manager and Associate Director of Support Services for disposition.

## Maintenance Repair Parts

### **How To: Perpetual Inventory**

#### ***Procedure:***

A perpetual inventory is established when the beginning count is indicated on July 1<sup>st</sup> or the first working day of the fiscal year.

All purchases are recorded, all issues and returns are recorded from the completed Maintenance Repair Parts cards and if parts are returned to the shelf from an R & A Project (procedures detailed previously in Policy 2, page 6), all of these combined with the beginning count will produce a current count which should match what is actually on the shelf.

There will be cyclical counts throughout the year. These counts will help keep your inventory levels accurate.

The perpetual inventory counts will be used on the red and white tagged items only. These are the items valued at approximately \$10 and above.

If the cyclical count indicates there is a discrepancy or if there is a need for a part and the System indicates there should be parts available and there isn't, a report will be made out and given to the shop foreman and the Central Stores manager.

The beginning count, purchases, cards of the issues and returns will be reviewed by the Central Stores staff and shop foreman to determine where the discrepancy has occurred.

If the discrepancy can be explained, it will be so noted on the discrepancy report and within the System.

#### **Source:**

Procedure: Facilities Planning & Management  
Maintenance Repair Parts  
Policies & Procedures  
CSPolicy #11 Perpetual Inventory

# Facilities Planning & Management

## Maintenance Repair Parts Procedures

---

**SUBJECT:** Annual Inventory

**PURPOSE:** To define policy and procedures for taking an annual physical inventory of in-stock items.

**SOURCE:** Facilities Planning & Management

**PROCEDURES:**

The Central Stores Manager will be responsible for and supervise the annual physical inventory of maintenance repair parts in the Central Stores warehouse and satellites. Under the direction of the Central Stores Manager, the following steps will be taken to prepare for the count:

1. During the weeks prior to the day of the final count Central Stores staff shall organize the physical stock and all records of activity shall be brought up to date.
2. A Physical Inventory Worksheet for use on inventory count day (last full week of June) shall be prepared, listing the SKU, description, location and a space for count entry, with as many items as possible on each sheet.
3. After all CS Inventory Forms have been posted, and during the month of June, leading up to the actual beginning day of inventory (last full week of June), actual stock counts shall be taken by Central Stores staff in main warehouse, and Shop Foremen or their designees in their shops for their shop inventory and recorded on each of the posted CS Inventory Forms.
4. After the initial count is recorded on the CS Inventory Form, all subsequent issues, receipts and returns shall also be recorded on cards and given to Central Stores staff.

# Facilities Planning & Management

## Maintenance Repair Parts Procedures

---

**SUBJECT:** Annual Inventory

5. On the day of the physical inventory and under the direct supervision of the Central Stores Manager, CS Inventory Forms shall be checked, at each storage location, and the final count as determined mathematically from the information contained there-in, shall be recorded on the CS Inventory Form and on the Physical Inventory Worksheet for that location, and the CS Inventory Forms shall be left posted. Individual CS Inventory Forms and the Physical Inventory Worksheet shall be initialed by the person counting, indicating the date and time of the physical count for that item. The CS Inventory Form shall be left posted until the conclusion of the inventory process, to record any additional issue/receipts. The Central Stores staff will also log the date and time of the last physical count on the worksheet log.
6. When the worksheet counts have been entered into inventory system, the worksheet log will also be updated.
7. A discrepancy report shall be prepared in the inventory system, and printed for review.
8. The Central Stores Manager shall compile and review all completed Physical Inventory Worksheets and discrepancy reports.
9. The Physical Inventory Worksheets shall then be reconciled against the perpetual inventory count for each item, and variations in excess of a predetermined level (1% by volume) shall be designated for follow up re-count by the Central Stores staff.
10. When variances have been accounted for and properly explained, the final count shall be certified by the Central Stores Manager. Any unexplained variances may be accounted for as indicated in the procedural steps for the annual inventory.
11. All item CS Inventory Forms shall then be collected and combined with the Physical Inventory Worksheets and other pertinent documentation and archived in the Central Stores departmental files in accordance with applicable regulations.
12. Within five (5) working days following the end of the fiscal year( or designated number of working days), the Central Stores Manager shall supervise the preparation of a final report on overall value as recorded by the inventory system and submit the report to the University Business Services Office.

## Maintenance Repair Parts

### **How To: Annual Inventory**

#### ***Procedure:***

An inventory of all parts is taken yearly.

The Central Stores Manager will be responsible for and supervise the annual physical inventory of maintenance repair parts in the Central Stores warehouse and satellites.

Under the direction of the Central Stores Manager, the following steps will be taken to prepare for the count:

All records of activity (purchases, receipts, issues, returns) must be up to date and recorded within the system – weeks prior to the annual inventory.

Forms for each item will be prepared prior to the actual count.

Actual physical counts will be taken by Central Stores staff for the main warehouse and the Shop Foreman or their designee will take the physical counts within the shops.

Comparisons will be made with the actual count taken and the count within the System.

A discrepancy report will be prepared and given to the Central Stores Manager for review.

The discrepancy report will be reviewed and reconciled for variations in excess of a predetermined level (1% by volume) and a follow up recount will be taken.

When all variances have been accounted for and properly explained the final count shall be certified by the Central Stores manager.

All item CS Inventory Forms shall then be collected and combined with the Physical Inventory Worksheets and other pertinent documentation and archived in the Central Stores departmental files in accordance with applicable regulations.



**How To: Annual Inventory**

***Procedure:***

**If there is an unexplained short or long remaining after all documents are reviewed by shop foreman and Central Stores staff, the difference of the shorts and longs may either be charged to the shop account or a credit may be applied for the shop having the discrepancy. The Central Stores Manager will review before the shop is charged or credited. This process will occur only following the annual inventory and within the designated days allowable by the Business Services Office.**

Within five (5) working days (or designated number of working days) following the end of the fiscal year, the Central Stores Manager shall supervise the preparation of a final report on overall value as recorded by the System and submit the report to the University Business Services Office.

**Source:**

Procedure: Facilities Planning & Management  
Maintenance Repair Parts  
Policies & Procedures  
CSPolicy #12 Annual Inventory Policy

**Facilities Planning & Management  
Central Stores  
Schedule/Guide  
Reports**

**Policy 1 – Purchase Requests**

- I. Stocked Item Purchases
  - a. Weekly, Stock Re-order Report for Master Warehouse Items for review by Storekeeper III.

**Policy 2 – Issues from Stock**

- II. Stock Issue Form (CSMM Form)
  - a. Daily transactions will be entered into System
  - b. Verification of accuracy of input is done by checking the inventory activity report for the day against the stock issue forms for the same time period.

**Policy 3 – Monthly Billing**

- III. Monthly Billing
  - a. Monthly, or weekly at the closing of the fiscal year, initiate resource usage report. Use of Inventory Activity Report for the same time period is used to check against the resource usage report to insure all transactions have been accounted. Any anomalies evident in these reports will be investigated before proceeding.
  - b. Once verified, the billing will be posted to the mainframe and a summary of those billings will be forwarded to the fiscal agents.

**Policy 4 – Non-Stock Purchases**

- IV. When non-stock parts are ordered, a non-stock inventory card is created.
  - a. Transaction will be entered into system when parts are received and issued to the shop.

**Policy 5 – Stock & Non-Stock Transactions for Items greater than \$500**

- V. Central Stores staff shall not order or issue parts to a MR order without proper authorization. Proper authorization can be an e mail attached to the pre-order form from the authorized fiscal agent, or a signature on the pre-order form by the authorized fiscal agent or a phone call by the authorized fiscal agent.

**Facilities Planning & Management  
Central Stores  
Schedule/Guide  
Reports**

**Policy 6 – Receiving, Non-Stock**

- VI. Prepare a damage report if so indicated upon receipt of item(s).
  - a. Central Stores will review outstanding orders that are more than two weeks old, and contact vendors requesting shipping dates on incomplete orders.

**Policy 7 – Receiving, Stock**

- VII. Prepare a damage report if so indicated upon receipt of item(s).
  - a. Central Stores will review outstanding orders that are more than two weeks old, and contact vendors requesting shipping dates on incomplete orders.

**Policy 8 – Out of Stock Items**

- VIII. Back Order Log.
  - b. An order log will be created for items that are out of stock when requested. An order is created by filling out a maintenance parts checkout form in its entirety for the unavailable items. The staff will retain the only copy of the back order request and notify the shop when the item is received and ready for pick up.
  - c. If the item is not on order, an order will be initiated and then proceed with the above back order process.
  - d. The Central Stores staff will review unfulfilled back orders on a weekly basis and email shop foremen.

**Facilities Planning & Management  
Central Stores  
Schedule/Guide  
Reports**

**Policy 9 – Obsolete Inventory Disposal**

- IX. Review of stock transactions and inventory usage for the purpose of identifying un-used (obsolete) parts as necessary or needed.
- a. The obsolete items report will be forwarded to the appropriate shop foreman and Central Stores Manager for review. Upon review, the shop foreman and Central Stores will reach an agreement on appropriate stock levels.
  - b. Central Stores staff will attempt to dispose of surplus inventory by first contacting vendors to arrange return for refund or credit on future purchases. If arranged, this solution will be accomplished only with the written approval of the University Purchasing Department, the Accounting Office, Director of Facilities Planning and Management and the Central Stores Manager
  - c. If no satisfactory return for credit arrangements can be made with the vendors, Central Stores will coordinate the disposal with the University Property Control Supervisor and CMS in Springfield.
  - d. At the conclusion of the stock adjustment process, the Central Stores staff will update the item quantity in the system.

**Policy 10 – Stock Re-Order Points**

- X. Establishment of Re-order points within the features of the system.
- a. Weekly re-order reports will be initiated by Central Stores staff and sent to the shop foremen for their non-consumable items.
  - b. Based upon these recommendations in the report, shop foremen will initiate pre-order forms for items needing to be ordered.
  - c. If no items are to be ordered by the recommendations of the report, consideration should be made as to adjustment to re-order points. Upon agreement between shop foreman and CS staff, the re-order points will be changed within the system.

**Facilities Planning & Management  
Central Stores  
Schedule/Guide  
Reports**

**Policy 11 – Perpetual Inventory**

- XI. Beginning counts, purchases, stock transactions (issues & returns), stock damage, etc. establish a perpetual inventory.
  - a. Beginning counts for each item will be established on July 1 or the first working day of the fiscal year.
  - b. Purchasing records, issues and return records, shortages, damage, etc. all will be documented throughout the year.
  - c. Cyclical counts, periodically will be made to assure accuracy.
  - d. Any discrepancies will be reviewed by shop foreman and Central Stores staff.

**Policy 12 – Annual Inventory**

- XII. Central Stores staff will organize the physical stock and all records of activity will be brought up to date in the weeks prior to the day of the final count.
  - a. All procedures will be followed for the counting of the items.
  - b. Counts will be compared to the count in the System
  - c. A discrepancy report will be initiated for all counts that are off.
  - d. Central Stores Manager will compile and review all Physical Inventory Worksheets and discrepancy reports.
  - e. When all variances have been accounted for and properly explained by shop foremen and Central Stores staff, the final count shall be certified by the Central Stores Manager. **If there is an unexplained short or long remaining after all documents are reviewed by shop foreman and Central Stores staff, the difference of the shorts and longs may either be charged to the shop account or a credit may be applied for the shop having the discrepancy. The Central Stores Manager will review before the shop is charged or credited. This process will occur only following the annual inventory and within the designated days allowable by the Business Services Office.**

**Facilities Planning & Management  
Central Stores  
Schedule/Guide  
Reports**

- f. Within 5 working days following the end of the fiscal year (or designated number of working days), Associate Director of Support Services shall supervise the preparation of a final report on overall value as recorded by the System and submit the report to the University Business Services Office.