

**Warehouse Inventory
User's Guide**



Plant Services

Warehouse Inventory User's Guide

Table of Contents

Section 1.	WAREHOUSE INVENTORY.....	3
Section 2.	PERPETUAL INVENTORY MAINTENANCE – RECEIPTS	4
Section 3.	WAREHOUSE INVENTORY STOCK ITEMS ISSUED FROM PRE-APPROVED TMA WORK ORDERS.....	5
Section 4.	PHYSICAL PLANT WAREHOUSE REQUISITION FORM.....	6
	4.01 General Policy	6
	4.02 Procedure.....	6
Section 5.	BANNER ON LINE WAREHOUSE PURCHASE ORDERS	6
Section 6.	ANNUAL PHYSICAL INVENTORY	7
Section 7.	IN-HOUSE PROJECT MATERIAL PROCUREMENT.....	8

Section 1. WAREHOUSE INVENTORY

PURPOSE AND SCOPE

Warehouse inventory is a general support area established to place high use items in a central location so as to negate repetitive buying outside the agency. Having an inventory of stock items allows buying in larger quantities thus taking advantage of quantity discounts. The warehouse also facilitates the ease of providing merchandise on campus as opposed to our local retail market that does not stock institutional type merchandise at the wholesale level.

Items requisitioned from warehouse stock transact under certain policies and procedures established within the University and existing State Statues therefore, strict adherence to that which has been established is mandatory. Any deviation from said policies and procedures must have the written approval of the Director of Plant Services and/or the appropriate Vice-President.

Stock items requisitioned are only allowed on Work Orders. It has become the norm to allow Physical Plant to acquire “blanket” written approval for an open work order for a period of one month.

1. Vendor invoices for warehouse stock items that were picked up locally:

Vendor invoices are entered on a [Physical Plant Control Center Direct Pay Voucher](#) by the Administrative Coordinator and data entered on the TMA Systems Software. A summary document is generated by the TMA system that identifies each entry listed on the [Parts On Order Report](#) with a TMA purchase order number. The Plant Services Director enters the TMA PO number, verifies price, quantity, description, part and processes receiving into the TMA inventory. The Asset Manager is the administrator of the TMA Software.

2. Vendor invoices for warehouse stock items processed on an official university purchase order:

Vendor invoices received in shipments require on-line receiving in the Banner system by the Warehouse Supervisor. The receiving data is then entered on the TMA Systems Software by the Administrative Coordinator. A summary document is generated by the TMA system that identifies each item received with a TMA purchase order number. The Plant Services Director enters the TMA PO number, verifies price, quantity, description, and processes receiving into the TMA inventory.

***NOTE:** On July 1, 2008 the TMA Systems Software replaced the ACT 1000 Inventory Software.*

During the second or third week of June the Warehouse will start a thorough and complete physical inventory of all Warehouse controlled sites. Upon completion of the task the Asset Manager will update the inventory quantities in the TMA system and a copy of the actual inventory and end of the year report is routed to Business Affairs by July 10.

On an annual basis the Plant Services Director, Warehouse Supervisor and the appropriate Physical Plant Personnel will inventory the warehouse for obsolete stock. All items designated as obsolete shall be adjusted from the warehouse inventory and turned over to the Property Control section for disposal in accordance with Louisiana State Surplus Property rules and regulations.

Section 2. PERPETUAL INVENTORY MAINTENANCE – RECEIPTS

1. Banner generated Purchase Orders issued to vendors for warehouse stock items are charged to Warehouse Inventory “Account #1-07331”
Warehouse receives and maintains an active file of all
Purchase Orders for warehouse stores items charged to this account.
2. Upon receipt of supplies and materials a [Receiving Log Sheet](#) is completed in Central Receiving by the Warehouse Supervisor/ Designee and completes an inspection of supplies and materials.
3. If no errors are evident from receipt of supplies and materials, Banner on-line receiving is processed by Central Receiving Asset Manager utilizing the information from the Purchase Order and the physical review by the Warehouse Supervisor.
4. Utilizing the on-line Banner Purchase Order, the Asset Manager/Plant Services Director posts the quantity received and actual cost to the TMA system. (The TMA system automatically computes a new Weighted Average unit price.) After the Administrative Coordinator enters “as ordered” into the TMA system, the Asset Manager/Plant Services Director receives said items and checks to make sure the **Parts On Order Report** is balanced to the **TMA Receiving Report**.
5. Receiving Agent/Central Receiving processes Banner on-line receiving.
6. The TMA system generates a daily **Inventory Issue Report** listing all receipts of supplies and materials and the totals are manually entered on a monthly ledger by the Asset Manager.

Section 3. WAREHOUSE INVENTORY STOCK ITEMS ISSUED FROM PRE-APPROVED TMA WORK ORDERS

1. Authorized work order requests are processed by Warehouse
 - a. Key enter or scan Work Order (Bar Coded) into TMA system.
 - b. Key enters or scan and pull requested items from stock. (Bar Code Label)
 - c. Enter quantity to be delivered or picked up.
 - d. Administrative Coordinator generates ***Inventory Transaction Receipt*** from the TMA Software of all items issued.
 - e. Requesting department/employee and issuing personnel verify stock items and quantities for accuracy.
 - f. Requesting department/ employee sign “received” and dates receipt.
 - g. Warehouse signs “issued by” and dates.
 - h. All ***Inventory Transaction Receipt*** documents are placed in pending file for posting to TMA inventory.
 - i. Warehouse stock items are either delivered by Warehouse or picked up by the requesting department/employee, whatever is deemed appropriate by the Plant Services Director.
 - j. Daily all ***Inventory Transaction Receipt*** documents and ***Physical Plant Warehouse Requisitions*** are compiled, copied as needed and routed to the Asset Manager. Original documents are retained in Warehouse file.
 - k. Daily prepare and route to Business Affairs for JE entry into Banner the ***Inventory Transaction Receipt***.

NOTE: A departmental Purchase Order document is utilized to issue material request to work order. See the [Accounts Payable Voucher](#) section of the Purchases Policy and Procedure User Guides found in the Business Affairs Policies and Procedures User Guides.

Section 4. PHYSICAL PLANT WAREHOUSE REQUISITION FORM

PURPOSE AND SCOPE

The *Physical Plant Warehouse Requisition* is processed when items are retrieved from the Lumber Shed, Farm area emergency “After Hours” request, or where system problems create such need. Issues will be made to a Work Order, utilizing the signed *Physical Plant Warehouse Requisition* as the official issue document.

4.01 General Policy

The *Physical Plant Warehouse Requisition* shall be utilized for warehouse supply request, and then issued to a work order.

4.02 Procedure

1. Warehouse will complete the *Physical Plant Warehouse Requisition* noting the items, quantities and budget unit index code.
2. Warehouse issues warehouse stock items against the work order.
3. Warehouse enters the information on the *Physical Plant Warehouse Requisition* into the TMA system.

Section 5. BANNER ON LINE WAREHOUSE PURCHASE ORDERS

Departments can request on campus Warehouse purchases (paper, batteries, envelopes, extension cords, white and yellow chalk, patch cords in various sizes, single line phone, duct tape, and cope paper, etc.), according to the following process:

1. The Budget Unit Head or requestor processes a Banner on-line University Warehouse Requisition- Purchase Order Type WR (see [Creating a Departmental Warehouse Requisition FPAREQN](#) section in the Purchase Requisition Processing User’s Guide of Departmental Banner Finance User Guides.
2. Warehouse checks daily for approvals on the Banner-On Line Purchasing System. Once University Warehouse Requisitions have proper approvals, the Administrative Coordinator turns them to Purchase Orders.
3. Warehouse delivers the items to the requesting department.

Section 6. ANNUAL PHYSICAL INVENTORY

1. Annually in June the Plant Services Director generates a copy of the entire physical inspection count of material and supply inventory from the TMA *Inventory Check Sheets* report.

COPY #1 – PLANT SERVICES CONTROL COPY

COPY #2 – PHYSICAL TASK COPY by Category

NOTE: Complete “control” copies are made and filed in WHSE Submittal Folder

2. The Plant Services Director distributes *Inventory Check Sheets* to appropriate employee assigned to complete inventory process.

NOTE: the inventory shall be taken by warehouse location, for control purposes.

3. Plant Services physically counts and records the results of the inventory items on the *Inventory Check Sheets* individually assigned, noting date and beginning and ending time of day.
4. The Plant Services Director runs a TMA system generated *Part List Report* that identifies the inventory value summary (for specific Warehouse locations in question) and utilizes this report for comparison with *Inventory Check Sheets*.

CORRECT COUNT: Plant Services Director/Designee transfers physical count to control copy.

INCORRECT COUNT: Plant Services Director/Designee notes shortage or overage on separate sheet and returns *Part List Report* to assigned personnel for a second count. (Counters are not advised as to what the discrepancy might be.)

Re-counts are continually requested until two physical counts parallel or discrepancy is corrected. Plant Services Director/Designee then transfers results to control copy with noted actual shortages or overages, if applicable.

5. Discrepancies that appear to have transacted as other than pilferage are researched for document error and duly noted and/or corrective action is taken.

Section 7. IN-HOUSE PROJECT MATERIAL PROCUREMENT

PURPOSE AND SCOPE

Set standards, policies and procedures for the procurement of materials and supplies budgeted directly under the Director of Physical Plant as “projects”. Said policies and procedures established so as to provide the Director of Physical Plant “up-front” information and ensure his awareness of the project and therefore negate obligations of project budgeted dollars without his authorization. A hard copy work order generated from the Physical Plant and presented by any Physical Plant employee, will indicate that the Physical Plant Director has established the project account and approves the procurement and issuance of any and all materials requested. Common warehouse Stock items are exempt from this policy and procedure (e.g., if merchandise is in stock and requested by maintenance personnel, prior approval is not needed if an approved *Physical Plant Warehouse Requisition* request is on file and a work order is provided.

PHYSICAL PLANT DIRECTOR

1. Notifies Plant Services through a hard copy work order as soon project account has been established. Work order must exhibit project title and account number (all projects inclusive: building use fees, restricted funds, plant funds or state capital projects where materials are ordered but installed by NSU personnel, etc.)
2. Meets with Plant Services Director to discuss availability of project materials listed on work order through warehouse stock inventory.
3. Ensures that all physical plant personnel are aware that material for said “projects” must be charged to the appropriate account.

PLANT SERVICES WAREHOUSE

4. Prepares a *Physical Plant Warehouse Requisition* from work order information
5. Advises Physical Plant to pick up materials from warehouse stock, transport and secure at project work site.

NOTE: At this point material will be considered supplies for work in progress and no further inventory control is required.

6. In the event of over-estimation of supplies needed for a specific project, the material must be returned to Plant Services Warehouse.
7. Upon receipt of surplus supplies from projects, a *Physical Plant Warehouse Credit* will be prepared and the appropriate account (the account originally charged at issue) will be credited and the material re-stocked in normal warehouse inventory.

PHYSICAL PLANT

8. Items not available through warehouse stock inventory will be processed through a Banner on-line purchase requisition with complete technical specifications charged to designated project title and account number for procurement of project materials.

NOTE: Fixed equipment, when appropriate, movable property and large bulky items will be charged directly to the project site for receipt by the Physical Plant Director/Designee.

“Spur of the Moment”/unforecasted material needs that are required immediately (within 72 hours of the request) must be telephone quoted by Physical Plant and a written letter of justification supporting the need for emergency procurement, signed by the Director of Physical Plant and appropriate Approving Agent. Contact Business Affairs-Purchasing Section for guidance.

PLANT SERVICES CENTRAL RECEIVING

9. Once purchase requisition is turned to a purchase order, a file copy of the purchase order prints in Central Receiving.
10. Receives project materials and supplies from vendor and/or freight agencies. Compares receipt of materials to purchase order information and directs freight carrier to project job site for delivery.
11. Notifies Plant Services of project materials delivery and references associated purchase order number.

PHYSICAL PLANT

12. Provides quantitative and qualitative review of project materials received and processes on-line receiving in Banner.

NOTE: In the event that the Legislative Auditor requires a physical inventory of project material located at any/or all “Work in Progress” job-sites, Physical Plant will provide the physical count and material description list to Plant Services as of June 30. Plant Services/Inventory Control Section will research each item and provide the current or last out unit pricing, calculate extensions and total project material on-hand as of June 30 and route to the Business Affairs for possible inclusion in the University’s Financial Statement.