Inventory Management for the Facilities Management Warehouse

**Purpose:**

This document establishes a policy and procedure for Facilities Management personnel when managing inventory of materiel in the Facilities Management Warehouse.

**References:**

PPM 5-25 University Procurement  
PPM 10-2 Acceptable Use Policy for Computing and Network Resources  
FM Procedure OP05 After Hours Procedures for the Facilities Management Warehouse  
FM Procedure E01 Security Protocol for Computers in Facilities Management

**Definitions:**

Computerized maintenance management system (CMMS): Database that Facilities Management uses as a work management system.

Consumables: Small items such as nuts, bolts, screws etc. that are kept in the Facilities Management Warehouse but not tracked as individual units.

Inventory Management Team (IMT): Assigned individuals responsible for evaluating and managing materiel and supplies in the Facilities Management Warehouse.

Shop Stock: Materiel that is stocked in Facilities Management shops as frequently used items obtained through the Facilities Management Warehouse.

Shop Inventory: Shop materiel kept in the shop or on a shop vehicle.

User Defined Fields (UDF): Fields used in the computerized maintenance management system which must be populated with required information before processing requests.
Policy:

Materiel management will be performed in accordance with Utah State law and Weber State University policy. The Facilities Management (FM) Warehouse will be the first source of supply for all materiel, supplies and tools used by FM staff in performing their duties. All materiel, supplies and tools issued by the FM Warehouse will be applied to an open work request in the computerized maintenance management system (CMMS). The FM Warehouse will accurately account for all materiel procured from the FM Warehouse.

Only when materiel, supplies and tools are not available from the FM Warehouse and cannot be obtained in a timely manner in order to support the work requirement, is FM staff authorized to purchase supplies or materiel from commercial vendors.

Procedure:

A. Materiel Acquisition

All materiel acquisitions will be made in accordance with Utah State law and Weber State University policy. No materiel will be removed from the FM Warehouse without proper accounting.

After hours acquisitions of materiel from the FM Warehouse will be made through the on duty Heat Plant Operator.

The following chart illustrates the type and method by which the FM employee will obtain materiel:

<table>
<thead>
<tr>
<th></th>
<th>Who</th>
<th>Method</th>
<th>Warehouse</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-Stock Inventory</td>
<td>Technician (Walk-in)</td>
<td>Paper Release</td>
<td>• Daily counter release</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>• Weekly re-stock</td>
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<tr>
<td></td>
<td>Technician (Electronic Request Submitted)</td>
<td>Materiel Request (must be approved by Manager/Superintendent)</td>
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<tr>
<td>Direct Order</td>
<td>Technician (Job specific, non-inventory)</td>
<td>Materiel Request (must be approved by Manager/Superintendent)</td>
<td>• Daily counter release</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>• Review orders before noon</td>
</tr>
<tr>
<td>New Stock Item</td>
<td>Manager/Superintendent (Director oversight)</td>
<td>New Stock Form</td>
<td>Daily ordering</td>
</tr>
<tr>
<td>Discontinued Items</td>
<td>Manager/Superintendent (Director oversight)</td>
<td>Discontinued Form</td>
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</tbody>
</table>
B. **Product End of Life**

The following steps outline the process for notifying the FM Warehouse of products no longer required in FM:

1. Manager/superintendent will notify FM Warehouse of changes to the status of in-stock products.
2. Manager/superintendent will be responsible for cost of discontinued items not used from inventory provided by the FM Warehouse (provided the FM Warehouse does not reorder the item(s) after notification of changes). The FM Warehouse will not absorb losses from discontinued or expired items.
3. Phase out processes will be proposed by the manager/superintendent requesting the discontinuing item in order to minimize loss. IMT will approve phase out processes.
4. FM Materiel Manager or designee will identify materiel as “Discontinued” in the CMMS and will not be re-ordered.
5. Each month a report of all discontinued items and current stock levels will be generated by the IMT and emailed to all manager/superintendent and directors for review.
6. Obsolete or discontinued materiel will be taken to Property Control and transactions for the disposal of the materiel will be accounted for in the CMMS.

C. **Inventory Reporting and Review**

All materiel kept in stock will be reviewed annually by the IMT and the respective manager/superintendent. Materiel kept in-stock is intended to be high-turn, frequently used, or identified as mission critical items. The IMT will review stock with each manager/superintendent according to the following schedule:

<table>
<thead>
<tr>
<th>Annual Review Schedule (3rd Wednesday of each month)</th>
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<tbody>
<tr>
<td>January</td>
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<td>February</td>
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<td>November</td>
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<tr>
<td>December</td>
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</tbody>
</table>
D. Mission Critical Materiel
1. Manager/superintendent, with the review of the respective director, will present mission critical materiel to the IMT for approval.
2. Items approved for “Mission Critical” status will be marked using a UDF in the CMMS.
3. Mission Critical items will be reviewed annually by the IMT to verify necessity of keeping materiel in stock (i.e. known use).

E. Shop Stock
1. Shop Stock materiel will be tracked and accounted for in smaller units than are issued through the FM Warehouse.
2. No items considered as consumable items will be listed in the CMMS as “Shop Stock.”
3. Assembled units will be entered into the CMMS as “Shop Stock” after review by the IMT to establish proper costs.
4. Shop Stock items, usage and pricing in the CMMS will be reviewed annually by the IMT and respective shop administrator.

F. Shop Inventory
1. Shop Inventory is shop materiel that should be kept in the shop or on a shop vehicle.
2. Shop inventory will be restocked through the FM Warehouse and charged to the established work request for which it was used.
3. Shop inventory also includes materiel which is considered “Shop Stock.”

Example of shop inventory being used for shop stock:
Electricians keep five (5) ballasts on shop vehicle. Two (2) ballasts are used, one on work request #111111 and one on work request #111112. The electrician can submit a Materiel Request in the CMMS or visit the FM Warehouse at the end of the day to purchase replacement shop-stock ballasts (one for each work request). The stock on the vehicle remains at five (5) ballasts and the ballasts are properly accounted for in the CMMS.

G. Bypassing the FM Warehouse

The FM Warehouse will be the first source of supply. It is also recognized that situations may require that shops bypass the FM Warehouse to meet the mission of the University. Bypassing the warehouse will be considered operating against the mission of the University unless the following circumstances occur:

1. The FM Warehouse is closed and the shop and shop is unable to make purchases (afterhours procedures apply).
2. The FM Warehouse does not have the materiel required.

All materiel purchases will be made through the FM Warehouse. If the Warehouse is not capable of effectively making the purchase due to technical specificities, materiel
quality requirements or time constraints, the FM Warehouse will authorize a shop supervisor to make the purchase from an outside vendor.

For project related purchases, the FM Warehouse will be used when FM is supplying materiel for the project. Services will not be purchased through the FM Warehouse.

H. Recycling

1. All scrap metals generated by the FM shops will be delivered to the FM Warehouse.
2. The FM Warehouse will appropriately sort, store, transport materials to recycler and deliver checks to the Facilities Management Business Office for deposit at the University Cashier’s Office.