I. Purpose

The purpose of this regulation is to outline the procedures to be used for ordering expendable property from the Distribution Center. Non-Distribution Center stock is to be ordered from outside vendors in accordance with current purchasing regulations.

II. Scope

This regulation is applicable to all budget holders who have responsibility and/or authority for ordering expendable property for their department or school.

III. Definition

Expendable property describes furnishings, equipment, or supplies, that because of their composition, have a one-time use or limited life span generally ranging from one to three years and does not exceed $500 in unit value. Also, expendable property includes items over $500 in unit value that, when put in use, are chemically or physically altered to the extent that they cannot be economically reused for their original purpose or become an integral component of another property item (e.g., administrative supplies, custodial supplies, motors, repair parts, etc.).

IV. Procedures

A. The Distribution Center maintains a stock of select supplies and parts available for purchase by school and department budget holders. This stock includes art, administrative, instructional, food service, maintenance, and custodial items. Stocked items may be ordered online via Stock Requisitions (SRQ) or by Over-the-Counter requests (OC). Detailed instructions to create an SRQ and run a supply catalog query can be provided by the Office of Financial Services.

1. Stock Requisitions (SRQ): All material stocked in the distribution center may be ordered via the Inventory Control Module of the CGI AFIN administrative client server computer system. Every school principal and bookkeeper and every department office head and secretary have access
to the Inventory Control Module to query the status of stocked items and to make orders via online SRQs. Budget holders are required to do electronic approvals to release the order to the Distribution Center.

2. Over-the-Counter (OC): In addition to the online SRQ, an OC option is offered. The OC offers a means to walk in and pick up an item or items on short notice. In order for an OC to be processed by Supply Services, the employee walking in with the order must have a Supply Services Request Form (61582450119G), see Attachment I, listing the requested items by commodity code along with an applicable account code. The form must be signed by the budget holder.

B. Pre-Encumbrances/Encumbrances:

1. Stock Requisition (SRQ): All items drawn from the centrally stocked Distribution Center must be charged to an applicable office or school account code. Consequently, the account code is a mandatory field for processing an SRQ. The applicable fund will incur a pre-encumbrance when an SRQ is approved electronically by the budget holder. The pre-encumbrance will change to an expense when the items are issued from the Distribution Center. Items on backorder will remain pre-encumbered until the item is restocked and issued.

2. Over-the-Counter (OC): An OC transaction results in an issue of only items that are available in stock. There are no backorders generated if an OC transaction is conducted and an item is not available. Consequently, there is no pre-encumbrance in processing an OC and the transaction will appear as an expense on finance reports. As in an SRQ, an OC cannot be processed without a valid account code.

C. Stock Requisition Processing:

1. Pick-Tickets: At the beginning of each workday, and at other times during the day as necessary, stock requisitions generated by the schools and departments are printed out in Supply Services as pick-tickets (Attachment II). Distribution Center personnel pull stock per the items listed on the pick-tickets. The pick-ticket is printed on two-part paper. The duplicate copy is provided to the budget holder to verify receipt of the delivery and
the original copy will be signed by the receiving school/department representative and returned to Supply Services for the files. The pick-ticket lists the items delivered and may also identify items that are on partial backorder. Items that are completely on backorder will not appear on the pick-ticket.

2. Deliveries: The goal of the Office of Supply Services is to deliver within 24 hours after a computer-generated pick-ticket prints; however, the workload at different times of the year will increase the response time. It is recommended that customers plan for a minimal 72-hour turn around time for their order and in emergencies follow up with an email or a telephone call to the Material Control Specialist in Supply Services.

3. Box Count: The total number of boxes or pieces for each delivery will be handwritten on the pick-ticket. The receiving official at each delivery point must verify (with exception for large quantities) the number of boxes or pieces marked on the order and sign the form. The contents of the boxes or pieces should be checked within three workdays and the Material Control Specialist in Supply Services be advised of any discrepancies.

4. BackOrders: Items ordered, but not in stock at the time of the order, will automatically be placed in a backorder file in the inventory control database. These orders will be filled in chronological order as the Distribution Center stock is replenished. When a stock item is electronically received into the Distribution Center by the central receiving personnel, the computer automatically adjusts the stock levels and prepares the data so that the next time pick-tickets are printed the backordered items become issues.

V. Stock Additions/Deletions

A. Adding new items to stock:

1. Expendable Property: Every customer has the right, and is encouraged to request, that new items be added to stock. This request may be made by a memorandum addressed to the Supervisor of Supply Services, with the following minimum information:
a. Description of item (a copy of a catalog page is excellent);

b. Description and model number of parent item (e.g., copier; printer).

c. Name of recommended supplier/vendor;

d. Estimate of your building usage per year;

e. Estimate, if known, of requirements Divisionwide, and

f. Recommendation whether this item should replace a currently stocked item.

2. New Forms: All schools and departments requesting a stock number for a new form must fill out and submit a Stock Number Request Form (61582450120G) to Supply Services (Attachment III). Please complete one form for each stock number requested.

   The Supervisor of Supply Services will determine whether the anticipated usage and cost warrants stocking an item in the Distribution Center.

B. Deletion of an item from stock:

   1. Normally, the Distribution Center staff recommends the deletion of an item from stock. The deletions of stock items are a result of:

   a. Safety problems as reported by customers or other sources;

   b. Poor quality of item as reported by customers or other sources;

   c. Obsolescence;

   d. Minimal or no usage data (fewer than three months of issue demand within a 12-month period).
2. The customers will know that an item has been marked for deletion when no backorders are permitted online and a checkmark appears in the “marked for deletion” field of the Inventory Inquiry screen (3 of 3) of the Inventory Control Module.

VI. Returns for Credit

A. A replacement item issued out of the Distribution Center may be returned to Supply Services for an exchange if it meets the following criteria:

1. Item issued by the Distribution Center was not the one ordered on the stock requisition;

2. Item was broken when received; and

3. Item is returned to the Distribution Center with a copy of the applicable pick-ticket and/or a Supply Services Request Form within 10 days of receipt (or within 10 days after returning to work if items are delivered during a holiday or summer vacation).

B. A returned item may be turned in to the Distribution Center for restocking and considered for credit if it meets the following criteria:

1. Item was issued from the Distribution Center within 90 days;

2. Item is returned in unopened container (no partial unit of issues);

3. Item is an active Distribution Center stock item (not marked for deletion);

4. Item has not exceeded its shelf life date as marked on the package nor is within 60 days prior to the shelf life date; or

5. Item is returned to the Distribution Center with a copy of the applicable pick-ticket and/or a Supply Services Request Form within 10 days of receipt (or within 10 days after returning to work if items are delivered during a holiday or summer vacation).
C. No credit will be given for items not meeting the above criteria. The Supervisor of Supply Services will consider credit for items meeting the above criteria on a case-by-case basis.

VII. Quality Control Issues

When a school or office has a discrepancy with any pick-ticket, an item delivered (e.g., wrong item, poor quality, etc.), or an item shortage, the first point of contact in Supply Services is the Material Control Specialist.

VIII. Online Information

Each customer with online access to the AFIN system and the Inventory Control Module may obtain status of stocked items to include price, quantity in stock, vendor information, and usage data. All data is updated daily. The Supply Catalog can be viewed through InfoAdvantage. Please see your assigned TSPEC or bookkeeper for a printed copy of the catalog.

IX. Training

Detailed instructions to create an SRQ or OC and run a supply catalog query can be provided by the Office of Financial Services.

The Associate Superintendent for Finance and Risk Management (or designee) is responsible for implementing and monitoring this regulation.

This regulation and related policy shall be reviewed at least every five years and revised as needed.