

SAN JACINTO COLLEGE

Facilities Services

PROCEDURE

MANUAL: Facilities Services
TITLE: Physical Inventory Management
RESP: Assoc. Vice Chancellor – Facilities Services
REV. BY: Director Support Services– Facilities Services

POLICY NO:
PROC. NO: FS-PR-3.05
ORIG. DATE: 11/21/2014
Rev. DATE: 05/05/2017

SCOPE

The provisions of this document apply to all SJCD personnel responsible for the Facilities Services inventory maintenance and controls and the usage thereof.

DEFINITIONS

Inventory - Collection of material, components, and parts owned by the college for the purpose of maintaining, repairing college infrastructure, systems, and property.

Inventory Management – Activities employed in maintaining the optimum number of each inventory item, the objective of which is to provide uninterrupted service levels at the minimum cost.

Warehouse - Facility storage of college inventory comprised of a central warehouse location supplemented by various bench stock locations throughout the district.

Computerized Maintenance Management System (CMMS) – Software maintaining a computer database of information for the college maintenance operations.

The Management Authority (TMA) - A CMMS is utilized by the District Facilities Services Department to manage work order processing, periodic maintenance scheduling, purchase requisitions, inventory database and maintenance reporting.

TMA Material Reports – Reports available for the purpose of tracking, evaluating, inventory acquisition, location, and count.

Quarterly Inventory Reports – Shall be kept with the District Inventory Control Supervisor for quarterly inventory spot counts of randomly selected parts and material.

Periodic Inventory Count – Annual count of material property held in college warehousing locations in support of periodic audit requirements.

Personal Protection Equipment (PPE) – Specialized clothing or equipment for protection against health and safety hazards.

MANUAL: Facilities Services
TITLE: Physical Inventory Management
RESP: Assoc. Vice Chancellor – Facilities Services
REV. BY: Director Support Services – Facilities Services

POLICY NO:
PROC. NO: FS – PR -3.05
ORIG. DATE: 11/21/2014
Rev. DATE: 05/05/2017

ROLES AND RESPONSIBILITIES

Department Director – Responsible for safe daily operations and management of the Inventory Management System. This will include providing adequate resources, maintenance of the system components, reporting on usage of the system and pursue investigation of missing, misallocated, or misused inventory.

Department Supervisor – Responsible for safe daily operations control and review of inventory and reports on annual counts. Assures that periodic inventory spot checks are performed and reviewed for trending usage or loss; notes issues with follow-up resolution with corrective actions.

District Supervisor Inventory Control - Responsible for safe daily operations of the Inventory Management System, performing a wide variety of duties with regards to the management of college facilities critical spare parts. This would include receiving, issuing, and accounting for inventory stock in the warehouse and various forward bench stock locations. Assures all safety and other systems equipment is inspected and properly maintained. Assures all records are stored in accordance with college procedure. Keeps journal record of observations and any noted issues with follow-up resolution.

Users – Work with the District Supervisor Inventory Control to assure proper procedures are followed when requisitioning parts and material. Assure that proper recordkeeping is carried out when dealing with the same.

PROCEDURES**I. Safety Equipment**

- A. All system safety equipment shall be installed, maintained, inspected and operated as intended by the manufacturer. Periodic fire extinguisher training is available through the Safety, Health, and Risk Management office.
- B. All warehouse equipment shall be inspected for daily operation. Forklifts, pallet jacks, and associated material handling equipment shall be utilized by authorized and certified users only.
- C. All PPE must be installed maintained and used as intended by the manufacturer and the college.

MANUAL: Facilities Services
TITLE: Physical Inventory Management
RESP: Assoc. Vice Chancellor – Facilities Services
REV. BY: Director Support Services – Facilities Services

POLICY NO:
PROC. NO: FS – PR -3.05
ORIG. DATE: 11/21/2014
Rev. DATE: 05/05/2017

II. Current College Warehouse Facilities

- A. The main warehouse facility is located on Central Campus within the Facilities Services Maintenance building C-34. Below is a list of craft departments.
- i. Central Energy Management System (EMS) C-34.207 (environment sensitive parts)
 - ii. Central Access Control - Locksmiths C-34.216
 - iii. Office Supply C-34.211 and C-34.201
 - iv. Carpentry C-34.131b
 - v. Paint Shop C-34.131c
 - vi. Automotive C-34.130d
- B. Satellite warehouse is located on North Campus building M1.
- i. Minimal consumables only at this location. Small fasteners, tape, minimal expense items. Also work order assigned parts awaiting use.
- C. Satellite warehouse is located on South Campus building M1.
- i. Minimal consumables only at this location. Small fasteners, tape, minimal expense items. Also work order assigned parts awaiting use.
- D. Warehouse Security and Control
- i. Central Campus Warehouse
 - a. Central Campus warehouse access controlled by District Supervisor Inventory Control. Only those personnel with proper approval and system identification will be allowed to access the warehouse area. Access list will be as deemed necessary by Facilities Support Services Director.
 - b. Serviced through two lockable service doors and one roll up door.
 - c. Fenced area to secure movement within the warehouse area.
 - d. Surveillance cameras installed and monitored by College Police Department.
 - e. Speed racks throughout warehouse areas.
 - f. Area for self-service machines through consignment vendor under review.
 - g. Note that deliveries and distribution of packages and materials require access outside of a pure inventory management function.
 - ii. North Campus Warehouse

MANUAL: Facilities Services
TITLE: Physical Inventory Management
RESP: Assoc. Vice Chancellor – Facilities Services
REV. BY: Director Support Services – Facilities Services

POLICY NO:
PROC. NO: FS – PR -3.05
ORIG. DATE: 11/21/2014
Rev. DATE: 05/05/2017

- a. North Campus warehouse access controlled by Trades Supervisor. Only those personnel with proper approval and system identification will be allowed to access the warehouse areas.
- iii. South Campus Warehouse
 - a. South Campus warehouse access controlled by Trades Supervisor. Only those personnel with proper approval and system identification will be allowed to access the warehouse areas.
- iv. Bench Stock locations
 - a. Shop Bench Stock locations and security are the responsibility of the trade supervisors. Access to these areas may include the shop supervisor, shop technicians, and the District Supervisor Inventory Control. Bench Stock locations shall be serviced, secure with limited access through lockable doors with speed racks, shelving and bins for storage. May include work order assigned items, or inexpensive consumable parts commonly necessary for repairs. This stock may fluctuate based on need and assessment by District Supervisor Inventory Control, Department Supervisor or Department Director.
- v. Vehicle Stock
 - a. Plumbing and Electrical department vehicles carry work order assigned inventory necessary to complete jobs out on campus. These vehicles are secured by the technician assigned to them. Access is controlled by the technician and their supervisor.
- vi. Inventory Storage Locations
 - a. All inventories shall be stored in the Central Warehouse location until distributed to the appropriate technician for completion of assigned job or forward consumables bench stock location for staging purposes. (Example: North Campus, South Campus, maintenance vehicle). Mechanical and Electrical closets throughout the district are not appropriate parts storage points.
 - b. Rolling Bench Stock will be kept at a minimum level of most commonly used consumables parts so as not to complicate inventory management. Ideally technicians will pull material and

MANUAL: Facilities Services
TITLE: Physical Inventory Management
RESP: Assoc. Vice Chancellor – Facilities Services
REV. BY: Director Support Services – Facilities Services

POLICY NO:
PROC. NO: FS – PR -3.05
ORIG. DATE: 11/21/2014
Rev. DATE: 05/05/2017

parts from Central warehouse and transport in vehicles as needed to complete assigned job.

- c. Consignment Vendor Supply warehouses might be utilized to store materials if approved by the Facilities Support Services Director. (Example: HVAC PM filter kits supplied for specific buildings at various campus locations).

III. Warehouse layout

A. Central Warehouse

- i. Current layout is comprised of speed racks and two lengths of cantilevered racks. Set up is arranged for palletized storage of items. No small bins are utilized.
- ii. Utilize available bin and basket for inclusion into pallet rack system where needed to allow for organized storage of parts.
- iii. Segmented by trades.
- iv. General access for future Consignment Vendor secure access machines and fasteners. This fenced area is segregated from the main warehouse by a locked gate. Allows for access to future secure machines and fastener bins.
- v. Limit equipment and tool storage.

B. Consumables Bench Stock Locations

- i. Bench Stock locations vary somewhat from shop to shop. Shelving, racks, cabinets, and bins are utilized to make for organized storage of inexpensive consumables.
- ii. Locations shall be secure with limited access.

IV. Inventory selection and listing

A. Contents

- i. Inventory contents are those items; parts, tools and equipment, determined to be necessary for the College's daily maintenance needs.
- ii. Maintained in inventory by District Supervisor Inventory Control or Craft Supervisors and assigns.

- B. Items are submitted by the various trades for inclusion into inventory and reviewed / approved by the District Supervisor Inventory Control.

MANUAL: Facilities Services
TITLE: Physical Inventory Management
RESP: Assoc. Vice Chancellor – Facilities Services
REV. BY: Director Support Services – Facilities Services

POLICY NO:
PROC. NO: FS – PR -3.05
ORIG. DATE: 11/21/2014
Rev. DATE: 05/05/2017

- i. Updates to inventory lists are reviewed for need and submitted for inclusion. Required information includes:
 - a. Description
 - b. Manufacturer
 - c. Part number
 - d. Cost
 - e. Min / max
- ii. Inventory list should be reviewed annually for part usage and updates made as required. Underutilized parts should be considered for removal or min / max reductions.
- iii. High use parts should be considered for increase of min / max.
- iv. Repeated OTP or non-inventory purchases should be considered for inclusion within inventory list by District Supervisor Inventory Control.

V. Inventory Count and Requirements

A. Random quarterly counts

- i. Accomplished under the direction of the District Supervisor Inventory Control.
- ii. Cross sectional account of the various shops inventories. The counts represent a portion of a shops inventory. As an audit baseline, 60 line items will be checked and recorded for accuracy against TMA inventory.
- iii. Random quarterly counts focus on items with value exceeding \$100 aggregate value.
- iv. Reports of results are retained by District Supervisor Inventory Control for review for a period of 2 years.
- v. Reports of results are kept by District Supervisor Inventory Control for review by Department Director and Vice Chancellor. All results and process subject to review by internal audit group.

B. Annual counts

- i. Accomplished under direction of District Supervisor Inventory Control and completed under audit guidelines.
- ii. Accomplished as close to fiscal year end, as practical.
- iii. Accomplished by District Supervisor Inventory Control and assigns.
- iv. Inventory counts compared against TMA inventory printout for comparison.

SAN JACINTO COLLEGE

Facilities Services

PROCEDURE

MANUAL: Facilities Services
TITLE: Physical Inventory Management
RESP: Assoc. Vice Chancellor – Facilities Services
REV. BY: Director Support Services – Facilities Services

POLICY NO:
PROC. NO: FS – PR -3.05
ORIG. DATE: 11/21/2014
Rev. DATE: 05/05/2017

- v. Reports of results are retained by the District Supervisor Inventory Control for review for a period of 2 years.
- vi. Reports of results are kept by District Supervisor Inventory Control for review by Director and Vice Chancellor. All results and process subject to review by internal audit group.

VI. Purchase and Replenishment of Inventory

- A. Purchase and replenishment occurs frequent through different processes. . Standing or Open POs, PR through TMA and issuance of PO, P Card purchase. Material purchased from approved vendors.
 - i. Bench Stock Inventory levels maintained and replenished by Inventory Control. Purchased through PR and PO process.
 - ii. District Supervisor Inventory Control will assist in ordering OTP items after receipt of PR from Supervisors ordering item.
 - iii. If consignment vendor product, automatic ordering replenishes system after reporting of quantity change.
 - iv. Periodic Maintenance orders by trade supervisors trigger consignment vendor order and delivery.

VII. Ordering parts and material

- A. District supervisor or assignee will place order on OTP of non-emergency parts based on parts requisition from trade supervisor. Parts will either be logged into TMA inventory for assignment against work order or notated as assigned against a work order. Recurring OTP will be input into TMA as regular inventory. Inventory parts will be stocked at warehouse until charged out (distributed) to bench stock location.
- B. Ordering warehouse stocked items completed via regular inventory inspection and automated ordering through TMA module.

VIII. Receipt of parts and material

- A. Parts and materials received from orders will be entered into the inventory system via TMA inventory module procedure. Packing list, bill of lading, and receipt copies will be retained for maintenance admin for reconciliation.
- B. Items shelved in proper bin locations while awaiting distribution.

MANUAL: Facilities Services
TITLE: Physical Inventory Management
RESP: Assoc. Vice Chancellor – Facilities Services
REV. BY: Director Support Services – Facilities Services

POLICY NO:
PROC. NO: FS – PR -3.05
ORIG. DATE: 11/21/2014
Rev. DATE: 05/05/2017

IX. Distribution of parts and material

- A. Majority of common consumables inventory stock will be charged out to the various bench stock locations as needed based on regular bench stock inventory inspections by warehousing department or shop supervisor.
- B. OTP or special order parts would reside in inventory until ready for distribution to shop for use. Parts can be delivered by courier or will call basis by shop technician at warehouse.

X. Disposal

- A. Obsolete and non-inventory material shall be either returned to vendor for credit if allowed or disposed of in accordance with federal, state, and local regulations governing state school systems.
- B. Work in conjunction with Purchasing and Auxiliary Services on reclamation practices and funding reimbursement.
- C. Track Consignment Vendor inventory returns for proper credit.

XI. Procedural review

- A. Review of procedure and procedural changes shall be discussed with both Director of Support Services and Vice Chancellor of Facilities Services

XII. Reports

- A. TMA material reports
 - i. Reports allowed by TMA module shall be reviewed quarterly for trends and budgeting review.
 - ii. Material and parts costs shall be accurate, up to date and reflect current pricing in TMA. If current parts pricing are out of date, contact vendor to retrieve current pricing. This must be TMA's acceptance by the college.
 - a. Updates of inventory prices should be reconciled quarterly.
 - iii. Verification of parts count as related to work order usage should be reviewed quarterly along with Random Audit Count. Verify 5 random items against work order completion monthly, to ensure TMA parts usage updates are being accomplished by trades.

MANUAL: Facilities Services
TITLE: Physical Inventory Management
RESP: Assoc. Vice Chancellor – Facilities Services
REV. BY: Director Support Services – Facilities Services

POLICY NO:
PROC. NO: FS – PR -3.05
ORIG. DATE: 11/21/2014
Rev. DATE: 05/05/2017

- iv. Report noncompliance to Facilities Support Services Director.
- v. Material and parts should be reviewed annually for usage
 - a. Adjustments should be made based on actual usage.
 - b. Under-utilized parts should be considered for removal from inventory system.
 - c. Conversely, parts with high usage might be considered for quantity revision.

B. Reports shall be distributed to Inventory Control Manager, Director, Vice Chancellor, and if needed the audit group Quarterly.

XIII. Supplementary Links or Documents

A. TMA Inventory Procedure

- i. Accessible link for reference.
 - a. (Double click link or copy in your web browser)
 - a. <\\sjcd-maint\D\TMA Manuals\TMA Inventory Procedures.docx>

XIV. Process Flowchart

MANUAL: Facilities Services
TITLE: Physical Inventory Management
RESP: Assoc. Vice Chancellor – Facilities Services
REV. BY: Director Support Services – Facilities Services

POLICY NO:
PROC. NO: FS – PR -3.05
ORIG. DATE: 11/21/2014
Rev. DATE: 05/05/2017

