Purpose
To establish a procedure for the receipt and distribution of materials at the Utah Department of Transportation (Department) central warehouse.

Policy
Materials are received and distributed according to generally accepted warehousing and material management practices and the inventory policies and procedures of the State of Utah (FIACCT 08.00-08.10).
Procedures
Receipt of Inventory Material  UDOT 02A-03.1

To provide a consistent process and procedure for receiving inventory materials into the Department warehouses.

Responsibility: Warehouse Specialist

Actions

1. Match the packing slip received from the supplier with the purchase order provided by the inventory purchasing agent. Match the applicable paperwork with the original request or order for materials transferred from a department warehouse.

2. Count the material. Ensure items and quantities received match the packing slip and order information.

3. Resolve any discrepancies between the packing slip, order, and material received.

4. Date the packing slip and order and then sign as the responsible party.

5. Make copies of the purchase order received and file in daily receiving file.

6. Forward the purchase order receiver to the inventory purchasing agent technician for and stock material. Contact the ordering customer for non-stock material for pick up. Put stock material into identified inventory locations. Perform a shelf count on the existing material. Forward the information to the inventory control technician.

7. Obtain a receipt signature to verify material was disbursed for non stock materials.

8. Forward the information to the inventory control technician.

Responsibility: Inventory Control

9. Enter receiver according to Inventory Control Procedures. (FIACCT 08.00-08.10)
Issue of Inventory Material

To provide a consistent process and procedures for issuing inventory materials from the department warehouses.

Transaction procedures are described in the Inventory Control Procedures.

Responsibility: Requestor

Actions

1. Order material using Over-The-Counter form (OC) or entering SRQ or TRQ orders according to Inventory Control Policy and Procedures. (FIACCT 08.00-08.10)

Responsibility: Warehouse Personnel

2. Print pick tickets from system using Inventory Procedures. (FIACCT08.00-08.10)

3. Material is picked and provided to requestor, signed, and dated.

4. Fill out transfer issue (TI) if necessary.

5. Forward all completed forms to Inventory Control for entry.

Responsibility: Requestor

6. Material is matched with original request and order is signed stipulating receipt of material.
Return to Supplier

To define procedures for returning incorrect material to the supplier that has been provided incorrectly.

Responsibility: Supplier

Actions

1. Material is physically provided by the supplier.

Responsibility: Warehouse Specialist and Purchasing Agent

2. Determine material is incorrect or does not meet specifications.

Responsibility: Warehouse Specialist and Purchasing Agent

3. Perform research to identify the problem with the material, the date received, and if necessary decide who received the material.

4. Notify Department purchasing and Central Warehouse of the need to return the material.

Responsibility: Warehouse Worker

5. Place the material into the designated “to be returned” area with supporting documentation.

Responsibility: Purchasing

6. Notify the supplier that material will be returned.

7. Set the material aside to be picked up by supplier if the supplier agrees to accept the return of the material immediately.

8. Do the following if a Receiver (RC) has been entered into the inventory system.
Responsibility: Inventory Control or Purchasing Agent

9. Modify the Receiver (RC) document or Over the Counter (OC) document. Return to Vendor is created and entered. This document is put with the incorrect material for supplier signature when picked up.
To define procedures for returning material from the Regions to the Central Warehouse.

Responsibility: Region Personnel

1. Determine material ordered is the wrong item or no longer needed.

2. Contract central warehouse manager. Material can be returned according to the following criteria:
   a. Material is still used at the Central Warehouse.
   b. Projected usage is sufficient to meet Central Warehouse Inventory turnover practices.
   c. Space is currently available to store the quantity to be returned.

The Region will either find another use or surplus the material if material does not meet the above criteria.

Responsibility: Warehouse Manager or Inventory Control

3. Provide authorization to return the material if it meets the outlined criteria.

4. Determine if material is or is not in region stock.

5. Give authorization for region to do a transfer issue (TI) and it is received by a transfer receipt (TR) if material is in Region Stock. (FIACCT 08-01-03-04)

6. Modify the document and receive back into the Central Warehouse Stock if material is not in the region stock but a document number is available.

7. Perform an inventory adjustment (IA) to return the material to stock if the material is not in the region stock.
8. Issue correct material as necessary if material is being returned due to:
   a. Wrong size
   b. Wrong commodity number
   c. Unit of measure discrepancy
   d. Wrong item provided
Transfer Issue Modification

To define procedures for performing modifications to the transfer issue (TI) document when material is provided directly to the customer without going through the transfer request (TR) process. Procedures to perform original Transfer Issue transactions are outlined in the Inventory Control Procedures. (FIACCT08-01-03)

Responsibility: Warehouse Personnel

1. Identify a problem in material provided directly to the customer through a transfer issue (TI) transaction.

2. Perform the modification depending on the problem as follows:

   a. Where the wrong item is ordered by the customer and issued:
      1) Modify to zero on the original document the wrong item issued.
      2) Input a new line item for new material
      3) Issue the new item
      4) Restock the returned item

   b. Where the quantity received is less than or greater than needed:
      1) Return to stock the extra amount ordered or pull the short quantity.
      2) Modify the document to decrease or increase the order amount if necessary.

   c. Where the wrong commodity is issued:
      1) Check the commodity code and description for the item issued.
      2) Issue the correct item and restock the incorrect item if the commodity code is correct.
      3) Modify the line to zero, enter a new line, and issued the correct item if the commodity code is incorrect.
d. Where the item provided was delivered wrong by the supplier:

1) Return the item to receiving.

2) Follow the returns to vendor procedure.
Over the Counter Modification

To define procedures for performing modifications to the Over the Counter (OC) document. The procedure to perform the original OC transaction is outlined in the Inventory Control Procedures.

Responsibility: Warehouse Personnel

Actions

1. A problem in material direct charged to the customer through an OC transaction is identified.

2. Perform the modification depending on the problem identified as follows:
   a. Where the wrong item is ordered by the customer and issued:
      1) Modify to zero the wrong item issued on the original document.
      2) Input a new line item for new material
      3) Issue the new item
      4) Restock the returned item
   b. Where the quantity received is less than or greater than needed:
      1) Return to stock the extra amount ordered or pull the short quantity.
      2) Modify the document to decrease or increase the order amount if necessary.
   c. Where the wrong commodity is issued:
      1) Check the commodity code and description for the item issued.
      2) Issue the correct item and restock the incorrect item if the commodity code is correct.
      3) Modify the line to zero, enter a new line, and issue the correct item if the commodity code is incorrect.
d. Where the item provided was delivered wrong by the supplier:

1) Return the item to receiving.

2) Follow the returns to vendor procedure.
Sell of Material to External Entities

To describe the policies and procedures for the sale of inventory materials to outside agencies.

Responsibility: Requestor

Actions

1. Complete and Submit an OC supply requisition to the Central Warehouse including date, name, address, signatures, and requestor's purchase order number.

Responsibility: Warehouse Manager or Inventory Manager

2. Review the criteria listed below to determine whether the items can be furnished by the Department Central Warehouse. Proceed if the answer is yes. Explain to the requestor the evaluation process and the determined results if the answer is no.

   a. Does the circumstance of the requestor constitute an emergency?

   b. Is the Department mandated by legislative law to furnish the requested material?

   c. Is the material requested for a Department project or will the project be impacted if not furnished from Department stock?

   d. Is the material currently in stock?

   e. What are the Department user needs?

   f. Will Department users be impacted by this sale?

3. Complete the OC coding using the appropriate Organization, Account, Appropriation, Charge ID, Quantity, Commodity Number, and Description.

4. Access the Inventory System. Inquire and record on the OC the current unit price of material requested.

5. Explain the Department policy of collecting 17 percent overhead costs.
6. Pull the items from the shelf and furnish to the requestor along with the pink copy of the OC transaction.

7. Submit the original and the yellow copy to Inventory Control.

Responsibility: Inventory Manager

8. Separate the original from the yellow copy. Process the original as an issue from the Central Warehouse. Stamp the yellow copy “Accounts Receivable” and send to be data entered.