

UC Davis Policy and Procedure Manual

Chapter 350, Supplies and Equipment

Section 16, The Storehouses

Date: 5/11/06

Supersedes: 6/23/95

Responsible Department: Materiel Management

Source Document: Business and Finance Bulletin BUS-54, Operating Guidelines for University Supply Inventories

I. Purpose

This section outlines the use, billing, credit, and inventory policies governing the Central and UCDCM Storehouses, and procedures for ordering and inspecting goods and obtaining credit or exchange.

II. Definitions

- A. Back order—an order for an item temporarily out of stock.
- B. Recharge—the assessment and collection by one University department of a charge for goods or services furnished to another University department.
- C. Shelf life—the time an item may remain in a storehouse before its useful life expires.
- D. Special order—non stock item specially ordered in response to a departmental request.

III. Policy

- A. The UCDCM and Central Storehouses sell goods at the lowest possible price, minimizing the University's cost and effort in the process of ordering, receipt, and payment of invoices.
- B. The Central Storehouse is a service activity that charges a markup in accordance with Section 340-25 to operate on a break-even basis. It stocks items contained in the UCD Buy Central Storehouse catalog to complement products offered in other UCD Buy catalogs.
- C. Units conducting official University business are eligible to use the services of the UCDCM and Central Storehouses.

IV. Procedures

- A. Ordering from the Central Storehouse
 - 1. Authorized campus personnel may order stock items for official University business using the following methods:
 - a. Initiating an electronic order in UCD Buy for products offered in the Central Storehouse catalog.
 - b. Bringing a UCD Central Storehouse Order to Supply Express. Departments may select and take supply items identified in the Supply Express catalog in UCD Buy with them. The order form must contain the signature of the applicable account manager or account delegate.

2. If stock items are temporarily out of stock, Central Storehouse issues a back order and sends the goods to the ordering department when they are received.
3. Tax-free alcohol may be purchased and picked up at the Central Storehouse by authorized departmental custodians only. (See Section 350-20.) At the Medical Center, tax-free alcohol is dispensed through the UCDCM Pharmacy.
4. Special order item requests must be submitted using the Special Order link in UCD Buy. Complete specifications, i.e., description, manufacturer or distributor numbers, color, and size, must be clearly stated in the request.

B. Ordering from the UCDCM Storehouse

1. Authorized UCDCM personnel may order stock items for official University business using the online Order Entry module.
2. The UCDCM Storehouse does not issue back orders; departments are notified if items are not available and instructed to reorder at a later time.
3. Items not stocked by the UCDCM Storehouse may be acquired via UCDCM Purchasing.

C. Inspection of shipments

Departments must inspect deliveries for visible damage immediately upon receipt and promptly call any damage or discrepancies to the attention of UCDCM or Central Storehouse personnel. (See Section 350-40.)

D. Billing

Recharges are transmitted daily to the General Ledger and can be viewed in DaFIS Decision Support.

E. Credit and exchange

1. The Central Storehouse gives departments full credit, including markup, for misordered stock items with a line value of \$25.00 or more returned within 30 calendar days of receipt. No time limit is placed on items returned to the UCDCM Storehouse so long as the criteria in 2.b, d, and e, below, are met.
2. The Central Storehouse will consider giving departments credit for cost of goods (excluding markup) after 30 days of receipt only if:
 - a. The department has a copy of the original packing list.
 - b. The shelf life of the item is not exhausted.
 - c. The return of the item does not create an overstock.
 - d. The item can be resold.
 - e. The item has been purchased within the fiscal year.

3. The Central and UCDCM Storehouses will exchange concealed damaged goods for identical items with the same stock numbers if they are returned in the original vendor package within 7 days (3 days at UCDCM), unless vendor policy is more restrictive.
4. Campus departments must complete a Shipping Memo (Calcode 71461-143) to authorize campus Receiving to pick up and return merchandise to the Central Storehouse for credit or exchange. A copy of the packing slip must accompany the Shipping Memo.
5. UCDCM departments must call UCDCM Storehouse for pickup of return merchandise to UCDCM Stores or Central Storehouse. A copy of the order form must accompany returned merchandise.

F. Inventory maintenance

The UCDCM and Central Storehouses accomplish inventory maintenance (see Section 350-60) by:

1. Conducting a complete physical inventory once a year, or having a cyclical inventory program in place.
2. Counting high-value and security items monthly.
3. Maintaining computerized inventory and billing control.

G. Material Safety Data Sheets

1. To comply with California law, the Central and UCDCM Storehouses will request Material Safety Data Sheets (MSDSs) from vendors when placing orders for hazardous substances. (See Section 290-27.)
2. The UCDCM Storehouse shall forward a copy of each MSDS received to UCDCM Occupational Safety.
3. When filling departmental orders for hazardous substances, Central and UCDCM Storehouses will inform departments to request MSDSs, if needed, from the Central Storehouse or UCDCM Occupational Safety.
4. Departments may request MSDSs by contacting the Central Storehouse at (530)752-0663 or UCDCM Occupational Safety at (916)734-2740.

V. References and Related Policies

- A. Business & Finance Bulletin BUS-54, Operating Guidelines for University Supply Inventories, 7/1/87.
- B. UCD Policy and Procedure Manual:
 1. Section 290-27, Hazardous Substances Communication Program.
 2. Section 350-20, Procurement and Use of Ethyl Alcohol.
 3. Section 350-40, Inspection of Shipment and Damage Claims.

4. Section 350-60, Management of Supply Inventories.